

A G E N D A
HICKORY CITY COUNCIL

May 21, 2024



6:00 p.m.



AGENDA
www.hickorync.gov

If you have any questions about any item on this agenda or if you need more information about any item in addition to the information contained in the agenda package, please call the City Manager at 323-7412. For more information about the City of Hickory go to: www.hickorync.gov.

Hickory City Council
76 North Center Street

May 21, 2024
6:00 p.m.

- I. Call to Order
- II. Invocation by Reverend Tamika Garrison, Director of Faith Community Relations Carolina Caring
- III. Pledge of Allegiance
- IV. Special Presentations
 - A. Presentation of a Proclamation for National American Public Works Week. **(Exhibit IV.A.)**
 - B. Recognition of Retiring Public Utilities Director Shawn Pennell.
- V. Persons Requesting to Be Heard
- VI. Approval of Minutes
 - A. Regular Meeting of May 7, 2024. **(Exhibit VI.A.)**
- 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.
 - A. Budget Revision Number 20. **(First Reading Vote: Unanimous)**
 - B. Consideration of Rezoning Petition 24-05 for Property Owned by Bowman Rentals, LLC, Located at 2063 Startown Road, PIN 3721-13-04-3211. **(First Reading Vote: Unanimous)**
 - C. Consideration of Rezoning Petition 24-07 for Property Owned by Jonathan and Mary Bonelli, Located on 5th Avenue NW, PIN 3703-17-02-8192. **(First Reading Vote: Unanimous)**
 - D. Consideration of Rezoning Petition 24-08 for Property Owned by Donald C. Scronce, Located at 2010 Startown Road, PIN 3721-09-05-4815. **(First Reading Vote: Unanimous)**
- VIII. Consent Agenda: All items below will be enacted by vote of City Council. 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.
 - A. Approval of the Resolution of Support for Active Transportation Infrastructure Investment Program Planning Grant Application and Matching Funds. **(Exhibit VIII.A.)**

Staff requests Council's approval to apply for Active Transportation Infrastructure Investment Program Planning Grant and matching funds of \$3,575. The Federal Highway Administration has developed the Active Transportation Infrastructure Investment Program Planning & Design Grant program. Trails and greenways have a significant impact on the economic viability of the community through increased levels of tourism as well as the ability to attract and retain businesses such as restaurants, outfitters, lodging, and entertainment. Hickory is home to several parks with trails, walking tracks and greenways. Staff would like to continue building on existing trails to increase connectivity throughout Hickory and other municipalities. This grant will fund a study on the feasibility of creating a trail along the Caldwell Railroad that would provide connections to other municipalities in Caldwell County and to the City of Hickory's trail system and agrees to provide matching funds in the amount of \$3,575. Staff recommend approval of the Active Transportation Infrastructure Investment Program Planning Grant application.

- B. Approval of the Resolution and Agreement for the Administration of Minimal and Overpayment of Ad Valorem Taxes and Approval of the Tax Collection Agreement. **(Exhibit VIII.B.)**

Staff requests Council's approval of the Resolution for the administration of minimal and overpayment of Ad Valorem Taxes with Catawba County. In 1981 the City of Hickory requested the County take complete responsibility for billing and collection of all municipality ad valorem property taxes, both current and delinquent, and subsequently motor vehicle taxes, such actions permissible by interlocal cooperation and joint exercise of powers pursuant to Chapters 105, 153A and 160A of the North Carolina General Statutes ("NCGS"); The County is requesting the execution of an updated Agreement. The agreement replaces and supersedes any prior Agreements between Catawba County and the City of Hickory related to tax collection. This agreement is made to be entered into July 1st, 2024, by and between Catawba County and the City of Hickory and shall remain in effect until amended or repealed. Staff recommends Council's approval of the Resolution for the Administration of Minimal and Overpayment of Ad Valorem Taxes with Catawba County and associated agreement.

- C. Approval to Apply for a Grant to Assist in Funding the Purchase of Bulletproof Vests for Hickory Police Department. **(Exhibit VIII.C.)**

Hickory Police Department requests permission to apply for a grant to assist in funding the purchase of bulletproof vests for police officers. The City of Hickory will receive up to 50% reimbursement for each vest purchased. Since 1999, the Bulletproof Vest Grant program has provided an opportunity for law enforcement agencies to apply for a grant to receive up to 50% funding on the purchase of ballistic vests. In order to be eligible, the agency must have a policy in effect making it mandatory for uniformed officers to wear the vests while on duty. Hickory Police Department has the mandatory wear policy in effect and has been a recipient of this grant for numerous years. Monies are placed in the police department budget uniform line item annually to purchase vests for police officers. The life expectancy of each vest is approximately five years. The Police Department recommends the submission of this grant to receive up to 50% funding to purchase bulletproof vests for police officers.

- D. Call for a Public Hearing to Consider the Voluntary Contiguous Annexation of 12.45-Acres Located at 2301 21st Avenue NE, Hickory, PIN 3713-08-97-7949, Owned by the City of Hickory. **(Authorize Public Hearing for June 4, 2024, at 6:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).** **(Exhibit VIII.D.)**

- E. Call for a Public Hearing for Consideration of the City Manager's FY2024-2025 Recommended Budget. **(Authorize Public Hearing for June 4, 2024, at 6:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).**

- F. Approval of a Cemetery Deed Transfer from the City of Hickory to Jerry Wayne Isenhour, and wife, Kathryn Marie Huffman Isenhour, Oakwood Cemetery, J9, Section 58, Plots 1 and 2. (Prepared by Deputy City Attorney Arnita M. Dula). **(Exhibit VIII.F.)**
- G. Approval of a Cemetery Deed Transfer from Pamela Abernethy Parlier, and husband, Judson Timothy Parlier to Frances S. Fincer, married, Oakwood Cemetery, Section 56, Lot 5, Being Plot G. (Prepared by Attorney John G. Fuller). **(Exhibit VIII.G.)**
- H. Approval of Two Locally Administered Projects Program (LAPP) Grant Applications – Surface Transportation Block Grant – Direct Attributable (STBG-DA) to the Hickory Metropolitan Planning Organization. **(Exhibit VIII.H.)**

Staff requests Council's approval of two Locally Administered Projects Program (LAPP) Applications submittals that include Surface transportation Block Grant – Direct Attributable (STBG-DA) funding to the Greater Hickory Metropolitan Planning Organization (MPO). The City plans to submit two supplemental grant applications to the Greater Hickory Metropolitan Planning Organization: (1) Historic Ridgeview Walk Multi-Use Trail - STBG-DA Supplemental – Additional construction funding to supplement EB-5937 to create a connection between City Walk and the Ridgeview Community and to US 70. Estimated Total STBG-DA Supplemental Cost \$1,612,500, 80% Federal Funding - \$1,290,000, 20% Local Match - \$322,500. (2) US 70 and 4th Street Drive SW Intersection Improvements - STGB-DA Supplemental – Additional construction funding to supplement HL-0002 to create a pedestrian crossing at US 70 and 4th Street Drive SW. Estimated Cost \$500,000, 80% Federal Funding - \$400,000, 20% Local Match - \$100,000. Staff requests the Council's approval of the resolution supporting the grant applications and committing the 20% match of \$422,500.

- I. Approval of the Citizens Advisory Committee Recommendations for Assistance through the City of Hickory's Housing Programs. **(Exhibit VIII.I.)**

The mission of the City of Hickory's Community Development Division is to preserve the existing housing base, enhance ownership opportunities for all its citizens to obtain decent housing, and provide a quality environment conducive to the safe and healthy growth of its citizenry. The seven-member Citizens' Advisory Committee was formed to provide for citizen input in the facilitation of the City's CDBG program, as well as any other similar community enhancement funding the City may receive. The following requests were considered by the Citizens' Advisory Committee at a special called meeting on May 9, 2024.

- Polly Neese, 318 31st Avenue NE Hickory, was recommended for approval of a Housing Rehabilitation Loan. The Citizens' Advisory Committee recommends approval for assistance not to exceed \$25,000 for repairs to her house. Assistance would be in the form of a 0% interest deferred loan.
- Thomas & Mary Johnson, 1341 32nd Street SE, Conover, was recommended for approval of a Housing Rehabilitation Loan. The Citizens' Advisory Committee recommends approval for assistance not to exceed \$25,000 for repairs to their house. Assistance would be in the form of a 0% interest deferred loan.
- Mildred Mauney, 520 2nd Street SW, Hickory, was recommended for approval of a Housing Rehabilitation Loan. The Citizens' Advisory Committee recommends approval for assistance not to exceed \$25,000 for repairs to her house. Assistance would be in the form of a 0% interest deferred loan.

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

- J. Approval of the Grant Agreement with the Federal Highway Administration for the Safe Streets for All Comprehensive Safety Action Plan in the amount of \$200,000. **(Exhibit VIII.J.)**

Staff requests Council's approval of the Federal Highway Administration Safe Streets for All Grant Agreement. The Bipartisan Infrastructure Law (BIL) established the new Safe Streets and Roads for All (SS4A) discretionary program, with \$5 billion in appropriated funds over 5 years, 2022-2026. The SS4A program funds regional, local, and Tribal initiatives through grants to prevent roadway deaths and serious injuries. The SS4A program supports the U.S. Department of Transportation's National Roadway Safety Strategy and the goal of zero roadway deaths. The City of Hickory has received a grant from the Federal Highway Administration to create a Safe Streets For All Comprehensive Safety Action Plan in the amount of \$200,000 with an 80/20 local match. Planning and Demonstration Grants provide Federal funds to develop, complete, or supplement a comprehensive safety action plan. A Safety Action Plan aims to develop a holistic, well-defined strategy to prevent roadway fatalities and serious injuries in a locality. The City of Hickory will use the Safe Streets for All Planning Grant to develop a comprehensive Safe Streets and Roads Action Plan that includes key components such as goal setting, safety analysis, equity, and engagement and collaboration. Once the City of Hickory has a comprehensive safety action plan, it may then apply for the Safe Streets for All funding for implementation activities to improve safety on roadways and at intersections. Staff recommends that City Council approve the City's grant agreement with the Federal Highway Administration for the Safe Streets for All Comprehensive Safety Action Plan in the amount of \$200,000 with an 80/20 match (\$160,000 federal/\$40,000 local match).

- K. Approval of the Purchase of Scott Safety Self-Contained Breathing Apparatus (SCBA), Cylinders, and Facemasks from Rhinehart Fire Services in the amount of \$690,000. **(Exhibit VIII.K.)**

Staff requests approval of the purchase and replacement of Self-Contained Breathing Apparatus (SCBA) for the fire department. The new SCBA will be purchased using the North Carolina Sheriff's Association Contract # Bid 24-01-0524. The Self-Contained Breathing Apparatus is used daily for firefighting and rescue operations by the department. This equipment is standardized by the National Institute for Occupational Safety & Health (NIOSH) and the National Fire Protection Association (NFPA) and periodically receives Edition Updates. The current SCBA being used in the department is meeting the 2013 Edition of NFPA 1981: Standard on Open-Circuit Self Contained Breathing Apparatus. A program was established to replace all SCBA used within the department at the same time to assist with firefighter training and familiarity. An equipment committee was formed and selected the Scott Safety Air Pak based on advancements in technology, improved performance capabilities, and improved safety features. The purchase will replace Seventy (70) Scott Safety Self-Contained Breathing Apparatus (SCBA), forty-two (42) Cylinders, and one-hundred thirty (130) Facemasks. Staff recommends approval of the purchase of the aforementioned equipment from Rhinehart Fire Services in the amount of \$690,000.

- L. Budget Revision Number 21. **(Exhibit VIII.L.)**

- 1. To appropriate a total of \$12,487 in sponsorship revenues for programming and event costs within the Parks, Recreation, and Sports Tourism Department.*
- 2. To appropriate \$390,000 from General Fund Balance to cover a portion of the cost of SCBA breathing equipment for the Hickory Fire Department.*
- 3. To appropriate \$2,500 awarded to the City of Hickory for the S.A.F.E.R. Camp Grant towards safety clothing and supplies within the Hickory Fire Department.*

IX. Items Removed from Consent Agenda

X. Informational Item

XI. New Business

A. Public Hearings

1. Consideration of the Voluntary Contiguous Annexation of 1.821-Acres Located at 2326 12th Avenue Drive NE, Hickory, PIN 3723-13-03-2690, Owned by Terry Dean Hollar – Presented by Planning Director Brian Frazier. **(Exhibit XI.A.1.)**

Consideration of the voluntary contiguous annexation of 1.821 acres of property located at 2326 12th Avenue Drive NE. identified as PIN 372313032690. The property is currently occupied by a single-family residence and located within the City's extraterritorial jurisdiction. The property owner is requesting annexation in order to gain access to City utilities. The current tax value of the property is \$158,800. If annexed, the property would generate \$722.54 in additional tax revenues. Upon analysis, staff has determined the petition meets the statutory requirements for voluntary contiguous annexation, and adequate public services are available. Staff find the petition to be in conformity with applicable statutes and recommend approval of the petition.

The public hearing was advertised in a newspaper having general circulation in the Hickory area on May 11, 2024.

2. Consideration of an Economic Development Agreement with Steel Warehouse of North Carolina, LLC as well as Approval of the Associated Agreements with the North Carolina Department of Commerce, and the Western Piedmont Council of Governments – Presentation by Business and Community Development Manager Dave Leonetti. **(Exhibit XI.A.2.)**

Staff requests Council's consideration of the Economic Development Agreement with Steel Warehouse of North Carolina, LLC, and approval of agreements with NC Department of Commerce, Steel Warehouse of North Carolina, LLC, and the Western Piedmont Council of Governments to accept and administer a Building Reuse Grant for 2441 and 2511 Highland Avenue NE. Steel Warehouse plans to redevelop a complex of buildings located at 2441 Highland Avenue NE. They plan to invest at least \$27,000,000 and create a minimum of 58 new jobs by the end of 2027. The company plans to use the property as a steel processing facility. Steel Warehouse proposes to create 58 jobs that pay above the median wage for Catawba County. The Building Reuse Grant is offered by the North Carolina Department of Commerce to provide funding to businesses looking to occupy existing buildings. They are eligible for and have been awarded \$240,000 in building reuse grant funding from the NC Department of Commerce. The grant requires a five percent match from the City of Hickory and Catawba County, which amounts to \$12,000 (\$6,000 each). Staff requests City Council's approval of an Economic Development Agreement with Steel Warehouse of North Carolina, LLC and agreements with NC Department of Commerce, Steel Warehouse of North Carolina, LLC, and the Western Piedmont Council of Governments to accept and administer a Building Reuse Grant for 2441 and 2511 Highland Avenue NE.

The public hearing was advertised in a newspaper having general circulation in the Hickory area on May 9, 2024.

B. Departmental Reports

1. Approval of the Resolution to Oppose the City of Charlotte Inter-basin Transfer Request – Discussion by City Manager Warren Wood. **(Exhibit XI.B.1.)**

The North Carolina Environmental Management officials are currently reviewing a request from the City of Charlotte to modify their certificate to increase their current transfer of 33 million gallons per day to 63 million gallons of water per day from the Catawba River Basin to the Rocky River Basin. The 2015 Water Supply Master

Plan for the Catawba River projected Charlotte's current IBT would be sufficient through 2065 and that Charlotte should not increase its IBT for its growth needs over the next 30 years. Staff recommends the Council's approval of the Resolution to oppose the City of City of Charlotte inter-basin transfer request.

2. Appointments to Boards and Commissions

COMMUNITY APPEARANCE COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
At-Large (Outside City but within HRP) (Council Appoints) VACANT

COMMUNITY RELATIONS COUNCIL

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Caucasian (Council Appoints) Cliff Moone Resigned VACANT
Caucasian (Council Appoints) Macgregor Vanbeurden Resigned VACANT
Other Minority (Council Appoints) VACANT
Other Minority (Council Appoints) VACANT

Alderman Zagaroli to Nominate Jacob Beaver as a Caucasian Representative on the Community Relations Council.

HICKORY REGIONAL PLANNING COMMISSION

(Term Expiring 6-30; 3-Year Terms with Unlimited Appointments) (Appointed by City Council)
Burke County Representative (Mayor Appoints with Recommendation from Burke County) VACANT

HISTORIC PRESERVATION COMMISSION

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

PUBLIC ART COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 1 (Wood Appoints) VACANT

RECYCLING ADVISORY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 4 (Freeman Appoints) VACANT
Ward 6 (Patton Appoints) VACANT
At-Large (Council Appoints) VACANT
At-Large (Council Appoints) VACANT

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. Adjournment

***Hickory City Code Section 2-56. Public Address to Council:**

“When conducting public hearings, considering ordinances, and otherwise considering matters wherein the public has a right to be heard, when it appears that there are persons present desiring to be heard, the Mayor shall require those opposing and favoring the proposed action to identify themselves. Each side of the matter shall be given equal time. Those opposing the proposed action shall be allowed 15 minutes for presentation, followed by 15 minutes for those favoring the action, with the opponents then to have five minutes for rebuttal and the proponents to then have five minutes for surrebuttal. Those persons on either side shall have the right to divide their allotted time among them as they may choose. The Council, by majority vote, may extend the time for each side equally. On matters in which the person desiring to address the Council does not have a legal right to speak, the Council shall determine whether it will hear the person. The refusal to hear a person desiring to speak may be based upon grounds that the subject matter is confidential, that its public discussion would be illegal, that it is a matter not within the jurisdiction of the Council or for any other cause deemed sufficient by the Council. Any person allowed to speak who shall depart from the subject under discussion or who shall make personal, impertinent, or slanderous remarks, or who shall become boisterous while addressing the Council shall be declared out of order by the Mayor, or by vote of the Council, and barred from speaking further before the Council unless permission to continue shall be granted by a majority vote of the Council, under such restrictions as the Council may provide.”

**The City of Hickory holds all public meetings in accessible rooms.
Special requests for accommodation should be submitted by individuals
with disabilities at least 48 hours before the scheduled meeting.
Phone Services (hearing impaired) – Call 711 or 1-800-735-2962**



PROCLAMATION

NATIONAL AMERICAN PUBLIC WORKS WEEK

WHEREAS, Public Works provides services in our community and are an integral part of our citizens' everyday lives; and

WHEREAS, Public Works staff are Essential Workers to ensure the smooth and continued operation of any municipality; and

WHEREAS, the support of an understanding and informed citizenry is vital to the efficient operation of public works systems and programs such as water, sewers, streets, highways, public buildings, and solid waste collection; and

WHEREAS, the health, safety and comfort of this community greatly depends on these facilities and services; and

WHEREAS, the quality and effectiveness of these facilities, as well as their planning, design, and construction, is vitally dependent upon the efforts and skills of public works officials; and

WHEREAS, the efficiency of the qualified and dedicated personnel, who staff Public Works Departments, is materially influenced by the people's attitude and understanding of the importance of the work they perform.

NOW, THEREFORE, I, HANK GUESS, MAYOR OF THE CITY OF HICKORY, on behalf of Hickory City Council, do hereby proclaim the Week of May 19-24, 2024 as

NATIONAL AMERICAN PUBLIC WORKS WEEK

in the City of Hickory and call upon all citizens and civic organizations to acquaint themselves with the issues involved in providing our public works services and to recognize the contributions which public works officials make every day to our health, safety, comfort, and quality of life.

This the 21st day of May, 2024.

Hank Guess, Mayor

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, May 7, 2024 at 6:00 p.m., with the following members present:

Tony Wood	Hank Guess	Anthony Freeman
Charlotte C. Williams	Aldermen	David P. Zagaroli
Danny Seaver		Jill Patton

A quorum was present.

Also present were City Manager Warren Wood, Deputy City Manager Rodney Miller, Assistant City Manager Rick Beasley, Assistant City Manager Yaidee Fox, Deputy City Attorney Arnita Dula, City Attorney Timothy Swanson, Administrative Assistant Iris Childers, and City Clerk Debbie D. Miller

- I. Mayor Guess called the meeting to order. All Council members were present with the arrival of Alderman Zagaroli at 6:02 p.m.
- II. Invocation by Reverend, Doctor, Alderman Freeman
- III. Pledge of Allegiance
- IV. Special Presentations
 - A. Presentation of a Proclamation for National Police Week 2024.

Mayor Guess asked Hickory Police Department personnel, both those that were sworn and those that may be civilian, to the podium. He noted this was not all of them. He did not need to tell anybody that was present how much they appreciated all of their coworkers, not just police employees. They appreciated all of the many coworkers that they have throughout the City. But this was a special week because it was National Police Week. He wanted to take the opportunity to recognize all law enforcement officers. They had all been reminded this week what a dangerous profession their law enforcement community faced. They wanted to do everything they could to support their men and women. He hoped that they would continue with the safety record that they had in the City of Hickory. They appreciated the job that they do each and every day. He read and presented the Proclamation for National Police Week 2024. Photos were taken.

Chief Reed Baer thanked Mayor Guess. He mentioned that it was a sad day, for not the first time, as they approached National Police Week. He remembered those who had fallen before them and next Wednesday, they would celebrate those in service, and would remember those and their families that followed. In this community, they were still extremely fortunate to have these men and women step-up into the profession.

- B. Presentation of a Proclamation for Building Safety Month – May 2024.

Mayor Guess asked the officers to stay at the podium. He asked Fire and Code Enforcement personnel to the podium. He noted in addition to being Police Week, May was also Building Safety Month, and each of these departments contributed greatly to the building safety within the City limits. Mayor Guess read and presented the Proclamation for Building Safety Month 2024. Photos were taken.

Fire Marshal Battalion Chief Stephen Craig thanked Code Enforcement and the Police Department as well as his staff that were present for all of their hard work. He thanked the City for their support. Sometimes it was difficult enforcing codes and keeping people safe, because sometimes codes do not make people happy. But with their support and understanding, they could educate the public and help make everyone safe. He thanked everyone present for their support of what they did, because what they did was to help keep everybody safe.

- C. Presentation of a Proclamation to Lenoir-Rhyne University Track and Field Athlete Alexis Brown.

Mayor Guess asked Lenoir-Rhyne University Track and Field Athlete Alexis Brown to the podium. They have a lot of athletes in the community, but he was pretty certain that they do not have any athletes that he was aware of that could outrun Ms. Alexis Brown. He thought that it was indicated very well on the proclamation that she was probably the fastest lady in Hickory. Maybe the fastest lady in Catawba County. They wanted to recognize her on her accomplishments and achievements, most recently in conjunction with Lenoir-Rhyne University. He commented that Lenoir-Rhyne University was a tremendous partner and they had great relationships with all of the staff at Lenoir-Rhyne University. They appreciated not only their students and their athletes, but all of the staff at Lenoir-Rhyne University for all that they do together with them. Mayor Guess read and presented the Proclamation to Alexis Brown. Photos were taken. He acknowledged her coaches that were in attendance. He welcomed them and appreciated all that Lenoir-Rhyne University does. He commended them for their great achievements in sports, track, and field.

- V. Persons Requesting to Be Heard

- A. Ms. Daria Jackson, 133 17th Street SE, Apartment B, Hickory, NC, commented that the multicultural festival was phenomenal. If they missed it, it was the best of Hickory. She had a great time. She was sorry a lot of them missed it. However, in the beginning, before people even got there, the bathrooms were horrible. She took pictures. She thought that when there was an event like that downtown, they should have somebody in there steadily checking on the bathroom, not just waiting till the end of the program to clean them. She reiterated that she had pictures, and there were not that many people there before then. She noted it had a horrible odor and that was in the beginning, 4:00 – 4:30-ish. It really did not get started until 6:00.

Mayor Guess asked if anyone else wished to address the Council. No one else appeared. He advised they did not have to wait until the meeting to address the Council, they all make themselves available by several different means. If they wanted to speak to them individually, they were certainly welcome to do that at any time.

VI. Approval of Minutes

- A. Regular Meeting of April 16, 2024.

Alderwoman Patton moved, seconded by Alderman Zagaroli that the Minutes of April 16, 2024 be approved. The motion carried unanimously.

- B. Special Meeting of April 18, 2024.

Alderman Seaver moved, seconded by Alderwoman Patton that the Minutes of April 18, 2024 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.

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

- A. Budget Revision Number 19. (First Reading Vote: Unanimous)

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

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

- A. Approved the Certificate of Sufficiency and Preliminary Resolution Relative to Street Improvements for Curb and Gutter along 525 9th Avenue NW, Petition Number 24-01. (Authorized Public Hearing for June 4, 2024, at 6:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).

Certificate of Sufficiency
(No. 24-01)

I, Debbie D. Miller, City Clerk of the City of Hickory, North Carolina, do hereby certify that the annexed petition of property owners for the improvement of a portion of 525 9th Avenue NW, Hickory was lodged with me on the 16th day of April, 2024, and that I have investigated the sufficiency of said petition; and that the results of my investigation are as follows:

The total number of owners of land abutting on the parts of said street proposed by said petition to be improved is two (2). The number of said owners who signed said petition is two (2), a majority.

The total number of lineal feet of said lands upon the parts of the street proposed by said petition to be improved is 100 feet. The number of said lineal feet represented by said owners who signed said petition is 100 feet, a majority.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hickory, this the 16th day of April, 2024.

/s/ Debbie D. Miller, City Clerk

RESOLUTION NO. 24-24
PRELIMINARY RESOLUTION
OF THE CITY COUNCIL OF THE CITY OF HICKORY
(NO. 24-01)

WHEREAS, on the 12th day of April, 2024, property owners of 525 9th Avenue NW, Hickory, filed with the City Engineer of the City of Hickory a petition for improving said street by placing and constructing thereon curb and gutter according to plans and specifications on file in the Office of the City Engineer; and

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

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

1. That the above-mentioned petition is found to be sufficient in all respects.
 2. That, that portion of 525 9th Avenue NW, Hickory be improved by placing and constructing thereon curb and gutter in accordance with plans and specifications on file in the Office of the City Engineer under and by virtue of Chapter 160A, Article 10 of the General Statutes of North Carolina, and that said improvements be done by the City of Hickory or by contract after due notice and advertisement for bids, as outlined by Chapter 143, Section 129 of the General Statutes of North Carolina.
 3. That 50 percent of the total cost of the said improvements may be assessed against the property receiving the improvement for constructing curb and gutter at \$32.50 per linear foot for a total of 70 linear feet excluding driveway cuts, and \$65.25 per linear foot for driveway apron for a total of 30 linear feet, combined being 100 linear feet.
 4. That the assessment herein provided for shall be payable in cash, or if the property owners shall so elect, in accordance with Chapter 160A, Sections 232 and 233 of the General Statutes of North Carolina, they shall have the option and privilege of paying the assessment in five (5) equal annual installments, to bear interest at the rate of 8 percent per annum.
 5. That a public hearing on all matters covered by this resolution shall be held on June 4, 2024, at 6:00 p.m. in the Council Chamber of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.
- B. Called for a Public Hearing to Consider the Voluntary Contiguous Annexation of 1.821-Acres Located at 2326 12th Avenue Drive NE, Hickory, PIN 3723-13-03-2690, Owned by Terry Dean Hollar. (Authorized Public Hearing for May 21, 2024, at 6:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).

RESOLUTION NO. 24-25
RESOLUTION DIRECTING THE CLERK TO
INVESTIGATE A PETITION RECEIVED
UNDER G.S. 160A-31 AND/OR 160A-58.1, AS AMENDED

WHEREAS, a petition from Terry Dean Hollar requesting annexation of an area described in a petition was received on April 24, 2024, by the City Council of the City of Hickory; and

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

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

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

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

CERTIFICATE OF SUFFICIENCY

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

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

Property of Terry Dean Hollar containing 1.821-acres more or less, located at 2326 12th Avenue Drive NE, Hickory NC, and identified as PIN 3723-13-03-2690.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hickory this 24th day of April, 2024.

/s/ Debbie D. Miller, City Clerk

RESOLUTION 24-26
RESOLUTION FIXING DATE OF PUBLIC HEARING ON QUESTION OF ANNEXATION,
PURSUANT TO G.S. 160A-31 OR G.S. 160A-58.1, AS AMENDED

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

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

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

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

Section 1: That a public hearing on the question of annexation of the area described herein will be held at 6:00 p.m. on May 21, 2024, in the Council Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.

Section 2: The area proposed for annexation is described as follows:

Property of Terry Dean Hollar containing 1.821-acres more or less, located at 2326 12th Avenue Drive NE, Hickory NC, and identified as PIN 3723-13-03-2690.

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

RESOLUTION NO. 24-27
A RESOLUTION DETERMINING THE INTENT TO ANNEX INTO THE CORPORATE LIMITS OF THE CITY OF HICKORY CERTAIN PROPERTY OWNED BY TERRY DEAN HOLLAR AND CALLING FOR A PUBLIC HEARING ON THE SAME

WHEREAS, Terry Dean Hollar is the owner of certain real property as described herein, which property is located at 2326 12th Avenue Drive NE, Hickory, NC and identified as PIN 3723-13-03-2690, containing 1.821-acres more or less; and

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

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

NOW, THEREFORE BE IT RESOLVED by the Hickory City Council, sitting in open session this 7th day of May, 2024, at a regularly scheduled meeting of the governing body of said Council, duly called and posted in accordance with the statutes of the State of North Carolina, as follows:

Section 1: That the Hickory City Council does determine that it is in the best interest of the health, safety, and well-being of the residents of the City of Hickory to annex the property described hereinafter into the corporate limits of the City of Hickory.

Section 2: That a public hearing on the question of annexation of the area described herein will be held at 6:00 p.m. on May 21, 2024, in the Council Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.

Section 3: The same being that property reflected on map entitled Hollar Voluntary Annexation Map 1 Existing City Boundary, subject property outlined in red; Hollar Voluntary Annexation Map 2, Existing Zoning, subject property outlined in red; Hollar Voluntary Annexation, Map 3, Aerial Photography subject property outlined in red.

Section 4: Notice of said public hearing shall be published in The Hickory Daily Record, a newspaper having general circulation in the City of Hickory, at least ten (10) days prior to the date of said public hearing.

- C. Approved the Letter of Agreement for Airport Safety Maintenance Projects, and Resolution with the North Carolina Department of Transportation.

Staff requests City Council's approval of a 5-year Letter of Agreement for Airport Safety Maintenance Projects with the North Carolina Department of Transportation (NCDOT). The NCDOT Division of Aviation (NCDOT-DOA) created the Airport Safety/Maintenance Program several years ago to apply available State funds to assist publicly owned and operated airports with airfield safety projects. Agreeing to this program by signing the Letter of Commitment allows the NCDOT-DOA to provide safety/maintenance services to the Hickory Regional Airport at no cost to the City. This Letter of Agreement is for a 5-year period and can be cancelled by either party at any time via written notice. Such maintenance/safety improvements that can be performed under this agreement may include, but not limited to joint and crack sealing, pavement repairs and patching, surface treatments, maintenance overlays, electrical, grading, drainage improvements, pavement markings and/or other infrastructure maintenance. The City would be responsible in allowing the NCDOT to use State and/or private contractors; provide an authorized representative to be present while work is in progress; provide qualified monitoring of airport's UNICOM radio transceiver; to temporarily close any runways, taxiways or ramps as needed; to issue any necessary NOTAMS (Notices to Airmen); allow the NCDOT to determine the design, scope of work, materials to be used and methods for project; hold harmless NCDOT from all suits, actions or claims resulting from performed work and to be in good standing on all State and Federal grant requirements and assurances. Entering into this agreement aligns with the goals for the airport's future expansion and economic development. The safety/maintenance services this agreement provides could assist in improvements to the airport's infrastructure for expansion so as to entice and resume commercial air service and add additional corporate aviation use. Airport staff recommends the City Council's approval of the Letter of Agreement for Airport Safety/Maintenance Projects and Resolution with the North Carolina Department of Transportation.

RESOLUTION NO. 24-28
Resolution of the Sponsor

THAT WHEREAS the City of Hickory, (hereinafter referred to as "Sponsor") and the North Carolina Department of Transportation (hereinafter referred to as "Department") requires a Commitment and Release of Liability statement to be on file, in order to provide and oversee maintenance and safety improvements on the operational surfaces of the Hickory Regional Airport; in accordance with the provisions of North Carolina General Statute 63.

NOW THEREFORE, BE IT AND IS HEREBY RESOLVED, that Mayor Hank Guess of the Sponsor be and is hereby authorized and empowered to enter into a Commitment and Release of Liability with the Department, thereby binding the Sponsor to fulfillment of its obligation as incurred under this resolution and its commitment to the Department.

- D. Approved the Acceptance of the Summer Fire Camp Grant in the Amount of \$2,500 from the Office of State Fire Marshal.

Staff requests approval of acceptance of the grant in the amount of \$2,500 from the Office of State Fire Marshal (OSFM) for their yearly summer fire camp, S.A.F.E.R (Student Academy of Fire, EMS, and Rescue) Camp, led by the Fire and Life Safety Division. OSFM awarded the City of Hickory Fire Department the OSFM/BCBS grant to be used towards the expenditures of the S.A.F.E.R Academy. The S.A.F.E.R. Camp is dedicated to educating, exposing, and recruiting high school students to careers in the fields of fire, EMS, and rescue. The curriculum covers a range of topics including the use of industry-standard personal protective equipment (PPE), CPR Training, agility tests, station tours, investigations, 911 communications, and a special graduation luncheon. The positive outcomes from the past three years of S.A.F.E.R Camp have been a driving force for a continued partnership with Catawba County Schools and to enhance the experience for future campers. Campers, throughout the years, have joined their local departments as Junior Firefighters and some completed the CVCC Fire Academy while being hired on to surrounding departments, one being Hickory Fire Department. S.A.F.E.R Camp has proven to be a great resource for high school students in Catawba County. Staff recommends the approval of accepting the Summer Fire Camp grant award in the amount of \$2,500 from the Office of State Fire Marshal.

- E. Approved the Correction of Resolution Number 24-16 Accepting the Offer of Public Dedication of Lands and Improvements Known as 14th Avenue Drive SE, a 45-Foot Right of Way Recorded in Plat Book 84 at Page 75 of the Catawba County Registry.

City Council approved Resolution Number 24-16 on April 2, 2024 accepting the offer of public dedication of lands and improvements known as 14th Avenue Drive SE, which is a 45-foot right of way recorded in Plat Book 84, at Page 75 of the Catawba County Registry. The Resolution inadvertently stated, “14th Avenue Drive NE”, but should have read “14th Avenue Drive SE”. Staff requests approval of the correction of Resolution Number 24-16 to “14th Avenue Drive SE”.

RESOLUTION NO. 24-16

A RESOLUTION OF THE HICKORY CITY COUNCIL ACCEPTING THE OFFER OF PUBLIC DEDICATION OF LANDS AND IMPROVEMENTS KNOWN AS 14th AVENUE DRIVE SE, WHICH IS DESCRIBED IN EXHIBIT A AS A 45 FOOT RIGHT-OF-WAY, AS RECORDED IN PLAT BOOK 84, PAGE 75 OF THE CATAWBA COUNTY REGISTRY.

WHEREAS, NCGS §160D-806 and Article 2, Section 2.3.6 of the Hickory Land Development Code provide that City Council may, by resolution, accept offers of public dedication made to the public of lands and facilities for streets, sidewalks, open spaces, and public utilities after verification from the City Engineer such properties and improvements are in a manner acceptable for acceptance; and

WHEREAS, the City of Hickory has been provided with an offer of public dedication of lands and improvements known as 14th Avenue Drive SE, which are described Exhibit A as a 45-foot right-of-way, as recorded in Plat Book 85, Page 74 of the Catawba County Registry; and

WHEREAS, the City of Hickory has reviewed the land and improvements placed upon them provided as part of the offer of public dedication, and such land and improvements have been found to be in compliance with standards in place for such land and improvements; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of Hickory, North Carolina, the offer of public dedication for 14th Avenue Drive SE, which is described in Exhibit A as a 45-foot right-of-way, as recorded in Plat Book 85, Page 74 of the Catawba county Registry, is accepted, subject to the following terms and conditions:

SECTION 1. Terms and Conditions of Acceptance:

1. The property owners shall guarantee all materials and workmanship for a period of 18 months from the date of official acceptance by the City Council;
2. The acceptance by the City Council shall not be interpreted in any way to relieve any developer, contractor, subcontractor, insurance company, owner, or other person of his individual or several obligations under any ordinance, policy, or contract or to otherwise reduce or eliminate the rights of the city, its agents and employees against any other party connected with or in any way related to the development of the subdivision and facilities. The acceptance shall not be interpreted as a waiver of any defense or immunities that the city, its agencies, or employees may assert or be entitled to;
3. All rights, privileges and warranties of whatsoever nature and kind, for equipment, supplies, materials, goods, and services shall be assigned to the city and any and all benefits derived there from shall inure to the city, its agents, and employees. The acceptance of the lands and facilities shall be conditioned upon the owners covenanting and warranting that they are lawfully seized and possessed of all the lands and facilities dedicated to the public; that they have good and lawful authority to dedicate the same to the public for the stated purpose; that the lands and facilities are free and clear of any deed of trust, mortgage, lien or assessments and that the dedicators for their heirs, successors, executors, administrators, and assigns, covenant that they will warrant and defend the dedication of such land and facilities against any and all claims and demands whatsoever; and
4. Acceptance of dedication of lands and facilities shall not obligate the city to construct, install, maintain, repair, replace, extend, improve, build, or operate any public facilities or utilities which are not in existence as of the date of the acceptance of the lands and facilities. Such acceptance shall not obligate the city to construct any main line, pipe, lateral, or other extension or permit connection to the city’s water, sanitary sewer, storm sewer, drainage, or other public utilities systems.

SECTION 2. This Resolution shall become effective immediately upon adoption.

- F. Accepted the Bid and Awarded the Contract to Neill Construction Company in the Amount of \$1,208,714 for Construction of 12 T-Hangars at Hickory Regional Airport on the North Ramp.

Staff requests City Council's approval to award a construction bid with Neill Construction Company and authorize the City Manager to approve a construction contract in the amount of \$1,208,714 to construct twelve new T-hangars on the North Ramp of Hickory Regional Airport. The City purchased its first set of 12 individual T-hangars in 2023 from Fulfab, Inc. and construction was completed last month. A new set of 12 individual T-hangars has been ordered from Fulfab Inc. and will arrive onsite in mid-May. Construction will occur adjacent to the first set of hangars on the north ramp of the airport and take approximately 180-days to complete. The T-hangars are designed to accommodate small to midsize aircraft that are currently leasing space in the larger group hangars. Once they are moved from the group hangars, additional aircraft are able to move to the airport off of a waiting list. The City requested construction bids in April and received a total of 7 bids. The lowest responsive bidder was Neill Construction Company with a low bid amount of \$1,208,714. The new hangar development aligns with the recommendations of the Hickory Regional Airport Task Force Report to promote and expand the assets at the airport to increase revenues through expansion of the number of base aircraft. The project will be funded with NC Department of Transportation Reserve Funds that were allocated in the fiscal year 23-24 budget. Staff recommends the City Council award a construction bid and authorize the City Manager to approve a construction contract with Neill Construction Company in the amount of \$1,208,714 for the construction of 12 new T-hangars at the Hickory Regional Airport.

- A. Approved on First Reading Budget Revision Number 20.

**ORDINANCE NO. 24-16
BUDGET REVISION NUMBER 20**

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, 2024, and for the duration of the Project Ordinance noted herein.

SECTION 1. To amend the General Fund within the FY 2023-24 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Government	54,557	5,824
Other Financing Uses	5,823	-
Culture & Recreation	13,559	-
Public Safety	664,111	70,000
Contingency	-	255,838
Transportation	-	298,322
TOTAL	738,051	635,984

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

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous	61,790	-
Other Financing Sources	51,858	24,840
Sales and Services	13,259	-
TOTAL	126,907	24,840

SECTION 2. To amend the Insurance Fund within the FY 2023-24 Budget Ordinance the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Government	27,145	-
TOTAL	27,145	-

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

FUNCTIONAL AREA	INCREASE	DECREASE
Sales and Services	27,145	-
TOTAL	27,145	-

SECTION 3. To amend the Bruce Meisner Park (#620008) Capital Project Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	28,840	24,578

TOTAL	28,840	24,578
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To provide funding for the above, the Bruce Meisner Park (#620008) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Investment Earnings	262	-
TOTAL	262	-

SECTION 4. To establish the State & Local Cybersecurity Grant (#450002) Grant Project, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	100,824	-
TOTAL	100,824	-

To provide funding for the above, the State & Local Cybersecurity Grant (#450002) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	5,824	-
Restricted Intergovernmental	95,000	-
TOTAL	100,824	-

SECTION 5. 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

1. Approved the Voluntary Contiguous Annexation of 31.388-Acres Located at 2063 Startown Road, PIN 3721-13-04-3211, Owned by Bowman Rentals, LLC – Presented by Planning Director Brian Frazier.

Consideration of the voluntary contiguous annexation of 31.388 acres property located at 2063 Startown Road, identified as PIN 3721-13-04-3211. The property is currently vacant and located within the planning jurisdiction of Catawba County and zoned R-20 Residential. Properties zoned R-20 can be utilized primarily for residential purposes, at a maximum density of 2 dwelling units per acre. If annexed, the property owners have requested the property be zoned Planned Development, with their future intentions being the construction of 75 single-family townhomes and 12 apartment buildings consisting of 300 units. This would equate to a density of approximately 11.9 dwelling units per acre. The surrounding properties are zoned R-20 Residential, R-2 Residential, and Planned Development and are occupied by detached single-family residences, and apartments. Upon analysis, staff has determined the petition meets the statutory requirements for voluntary contiguous annexation, and adequate public services are available. Staff find the petition to be in conformity with applicable statutes and recommend approval of the petition.

The public hearing was advertised in a newspaper having general circulation in the Hickory area on April 20, 2024.

Mayor Guess explained the rules for conducting the public hearing and advised these rules pertained to each of the public hearings. He would not go over the rules each and every time. He asked City Manager Warren Wood to introduce the public hearing.

City Manager Warren Wood asked Planning Director Brian Frazier to the podium to present a request for voluntary contiguous annexation of 31.388 acres of property located at 2063 Startown Road, owned by Bowman Rentals, LLC.

Planning Director Brian Frazier gave a PowerPoint presentation. As City Manager Warren Wood indicated, this was Bowman Rentals, LLC for an annexation, just under 32 acres in total. The current development was vacant, and the developer was proposing potential single and multifamily planned development. Annexation was being sought to gain access to public utilities, in this case sanitary sewer. He referred to the PowerPoint and displayed a map. He pointed out the property in

question, Highway 70 SE, Catawba Valley Boulevard, and Startown Road. He pointed out the City limits, the Hickory ETJ, (extra-territorial jurisdiction), and everything in the County. He displayed a zoning map and pointed out the areas currently zoned County R-20, City C-3, Regional Commercial R-2, and various other City and County zoning designations. He displayed an aerial ortho of the property, and he pointed out Catawba Valley Boulevard, Highway 70, Startown Road, CVCC campus, Preston Ridge, they were completing the second phase of their apartments, and Trivium Corporate Park further to the south. The voluntary annexation petition complied with all applicable statutes. There were adequate public services to serve the site. They believed that the annexation of the property would not cause available public services to fall below any acceptable levels. based on these findings, staff respectfully recommended approval of the requested annexation. He asked for questions.

Mayor Guess asked if the Council had any questions. He thanked Mr. Frazier. He added in addition to the rules he previously explained regarding the public hearing, he asked that everyone be respectful of those who may be speaking differently than how they felt about a particular matter. He asked that everyone maintained a level of respect regardless of whether or not they agreed with what the person was saying or not. They hopefully would not have any issues related to that this evening. He declared the public hearing open and asked if anyone present would like to speak in opposition of the proposed annexation. No one appeared. He asked if anyone present would like to speak in favor. No one appeared. He declared the public hearing closed. He asked for a motion or any further discussion from the Council.

Alderwoman Patton moved, seconded by Alderman Zagaroli approval of the voluntary contiguous annexation of the property located at 2063 Startown Road. The motion carried unanimously.

ANNEXATION ORDINANCE NO. 500
VOLUNTARY ANNEXATION ORDINANCE (CONTIGUOUS)
Bowman Rentals, LLC

AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE
CITY OF HICKORY, NORTH CAROLINA, PURSUANT TO
GENERAL STATUTES 160A-58.1, AS AMENDED (CONTIGUOUS)

WHEREAS, the City Council of the City of Hickory desires to annex the area described herein, under G.S. 160A-58.1, as amended; and

WHEREAS, the City Council has by resolution directed the City Clerk to investigate the sufficiency of said annexation; and

WHEREAS, the City Clerk has certified to the sufficiency of said request, and a public hearing on the question of this annexation was held in the Council Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina, at 6:00 p.m. on the 7th day of May, 2024; and

WHEREAS, the City Council of the City of Hickory further finds that the area described therein meets the standards of G.S. 160A-58.1(b), to wit:

- a. The nearest point on the proposed satellite corporate limits is not more than three miles from the corporate limits of the City of Hickory.
- b. No point on the proposed satellite corporate limits is closer to another city than to the City of Hickory.
- c. The areas described are so situated that the City will be able to provide services on the same basis within the proposed satellite corporate limits that it provides within the primary corporate limits.
- d. No subdivision, as defined in G.S. 160A-376, will be fragmented by this proposed annexation.

WHEREAS, the City Council of the City of Hickory does hereby find as a fact that said petition has been signed by all the owners of real property in the area who are required by law to sign and all other requirements of G.S. 160A-58.1 as amended, have been complied with; and

WHEREAS, the City Council further finds that the annexation is otherwise valid, and that the public health, safety, and welfare of the City of Hickory and of the areas proposed for annexation will be best served by annexing the area herein described.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HICKORY, NORTH CAROLINA:

Section 1. By virtue of the authority granted by G.S. 160A-58.2, as amended, the following-described contiguous territory is hereby annexed and made a part of the City of Hickory as of the 31st day of May, 2024:

Contiguous Annexation
by the City of Hickory
of the property known as
Bowman Rentals LLC

That certain parcel or tract of land lying and being about 4.09 miles south southeast of the center of the City of Hickory. Bounded on the north by the right-of-way of Startown Rd. (S.R. 1005); on the east by the right-of-way of Robinwood Rd. (S.R. 1148); on the south by the lands of Ming Yang as described in Deed Book 3287 at Page 441, Matt D. Campbell as described in Deed Book 2209 at Page 1065, Heather H. King as described in Deed Book 3335 at Page 149, Clarence J. Jones, Jr. as described in Deed Book 3639 at Page 1909, Dennis Shay Bollinger as described in Deed Book 3545 at Page 684, Amelia C. Huffman as described in Deed Book 2277 at Page 1317 and Luke Phillip Setzer as described in Deed Book 3671 at Page 1024; on the west by the existing City of Hickory city limits as shown in Plat Book 82 at Page 179 and Plat Book 84 at Page 9, the lands of Hickory Housing, LLC as described in Deed Book 3848 at Page 1529, Startown MF Phase 11, LLC as described in Deed Book 3760 at Page 1963, Dennis Eugene Bollinger as described in Deed Book 898 at Page 127 and Kieng Lee as described in Deed Book 3036 at Page 470 and more particularly described as follows, to wit.

Beginning at a 2" pipe, the northeast corner of the lands of Kieng Lee as described in Deed Book 3036 at Page 470 on the south side of Startown Rd., said pipe being located South 51 degrees 48 minutes 39 seconds East 99.84 feet from a 7/8" pipe, the northwest corner of Lee and running thence, on the south side of Startown Rd. as new City of Hickory city limits the following calls: South 51 degrees 50 minutes 01 seconds East 95.83 feet to a right-of-way disk; thence, as curve to the right, said curve having a radius of 3440.00', a length of 5.70', a chord bearing and distance of South 52 degrees 49 minutes 52 seconds East 5.70 feet to a 1/2" rebar; thence South 52 degrees 52 minutes 43 seconds East 263.27 feet to a 1/2" rebar; thence, continuing the same bearing, a distance of 154.37 to a point; thence, leaving Startown Rd. and running with the west side of Robinwood Rd. as new City of Hickory city limits, the following calls: South 22 degrees 26 minutes 54 seconds West 154.68 feet to a point; thence South 22 degrees 28 minutes 34 seconds West 226.89 feet to a right-of-way disk; thence South 22 degrees 17 minutes 15 seconds West 178.28 feet to a 1/2" rebar; thence, as curve to the left, said curve having a radius of 2,317.47 feet, a length of 225.21' and a chord bearing and distance of South 20 degrees 21 minutes 49 seconds West 225.12 feet to a 1/2" rebar; thence, with a curve to the left, said curve having a radius of 5,594.56, a length of 186.53' and a chord bearing and distance of South 16 degrees 37 minutes 28 seconds West 186.52 feet to a 1/2" rebar; thence South 15 degrees 40 minutes 09 seconds West 655.56 feet to a point, the northeast corner of the Ming Yang lands as described in Deed Book 3287 at Page 441 said point being located South 25 degrees 53 minutes 24 seconds West 243.81 feet from a fire hydrant on the east side of Robinwood Rd.; thence, leaving Robinwood Rd. and running with the north line of Yang, North 85 degrees 11 minutes 40 seconds West, passing a right-of-way monument at 14.95 feet, a total distance of 201.05 feet to a PK nail, the northeast corner of the Matt D. Campbell lands as described in Deed Book 2209 at Page 1065; thence, with the north line of Campbell, North 85 degrees 50 minutes 23 seconds West 208.02 feet to a 5/8" rebar, the northeast corner of the Heather H. King lands as described in Deed Book 3335 at Page 149; thence, with the north line of King North 78 degrees 41 minutes 14 seconds West 100.18 feet to a 1/2" rebar, the northeast corner of the Clarence J. Jones, Jr. lands as described in Deed Book 3639 at Page 1909; thence, with the north line of Jones, North 78 degrees 39 minutes 49 seconds West 99.93 feet to a geared shaft, the northeast corner of Dennis Shay Bollinger lands as described in Deed Book 3545 at Page 684; thence, with the north line-of Bollinger, North 79 degrees 00 minutes 36 seconds West 100.01 feet to a 1/2" rebar, the northeast corner of the Amelia C. Huffman lands as described in Deed Book 2277 at Page 1317; thence, with the north line of Huffman, North 79 degrees 12 minutes 58 seconds West 62.49 feet to a 1/2" rebar; thence, continuing with the north line of Huffman, North 84 degrees 51 minutes 34 seconds West 61.15 feet to a "T" fence post, the northeast corner of the Luke Phillip- Setzer as described in Deed Book 3671 at Page 1024; thence, with the north line of Setzer, North 87 degrees 06 minutes 04 seconds West 173.16 feet to a 1" pipe, the northwest corner of Setzer in the east line of the Hickory Housing, LLC lands as described in Deed Book 3848 at Page 1529 and in the existing City of Hickory city limits line as shown in Plat Book 82 at Page 179; thence with the east line of

Hickory Housing, LLC and the existing city limits, North 08 degrees 33 minutes 39 seconds East, passing a ½" rebar at 685.86 feet, a total distance of 735.86 feet to a point in a branch in the east line of the Startown MF Phase II, LLC lands as described in Deed Book 3760 at Page 1963 and the existing City of Hickory city limits line as shown in Plat Book 84 at Page 9; thence, with the east line of Startown MF Phase 11, the existing city limits and the center of the branch, the following calls: North 61 degrees 30 minutes 00 seconds East 21.66 feet to a point; thence South 71 degrees 05 minutes 43 seconds East 12.87 feet to a point; thence North 66 degrees 36 minutes 32 seconds East 13.71 feet to a point; thence North 69 degrees 14 minutes 27 seconds East 32.98 feet to a point; North 07 degrees 10 minutes 32 seconds East 17.04 feet to a point; thence South 87 degrees 01 minutes 14 seconds East 25.99 feet to a point; thence North 44 degrees 42 minutes 35 seconds East 10.85 feet to a point; thence North 73 degrees 43 minutes 11 seconds East 25.68 feet to a point; thence North 44 degrees 45 minutes 46 seconds East 16.68 feet to a point; thence North 85 degrees 10 minutes 23 seconds East 25.05 feet to a point; thence North 17 degrees 58 minutes 45 seconds East 14.47 feet to a point; thence North 68 degrees 29 minutes 29 seconds East 24.32 feet to a point; thence North 38 degrees 38 minutes 22 seconds East 16.36 feet to a point; thence North 70 degrees 16 minutes 16 seconds East 14.81 feet to a point; thence South 84 degrees 58 minutes 08 seconds East 19.39 feet to a point; thence North 73 degrees 36 minutes 10 seconds East 33.99 feet to a point; thence North 88 degrees 41 minutes 36 seconds East 17.25 feet to a point; thence North 62 degrees 06 minutes 35 seconds East 22.67 feet to a point; thence North 03 degrees 11 minutes 33 seconds East 12.64 feet to a point; thence North 26 degrees 36 minutes 30 seconds East 25.76 feet to a point; thence North 58 degrees 42 minutes 30 seconds East 22.56 feet to a point; thence North 20 degrees 05 minutes 24 seconds East 22.70 feet to a point; thence North 16 degrees 00 minutes 08 seconds East 42.09 feet to a point; thence North 18 degrees 51 minutes 10 seconds East 30.10 feet to a point; thence North 39 degrees 57 minutes 38 seconds East 37.38 feet to a point; thence North 56 degrees 01 minutes 40 seconds East 50.42 feet to a point; thence North 39 degrees 18 minutes 45 seconds East 76.69 feet to a ½" rebar in the south line of the Dennis Eugene Bollinger lands as described in Deed Book 898 at Page 127, said rebar being located South 82 degrees 30 minutes 23 seconds East 74.99 feet from a 1" pipe in the south line of Bollinger; thence, with the south line of Bollinger and as new City of Hickory city limits, South 81 degrees 54 minutes 40 seconds East 544.98 feet to a ½" rebar, the southeast corner of Bollinger; thence, with the east line of Bollinger, North 26 degrees 05 minutes 44 seconds East 177.67 feet to a ½" pipe, the northeast corner of Bollinger; thence, with the north line of Bollinger, North 49 degrees 59 minutes 14 seconds West 424.56 feet to a bolt, the southeast corner of the Kieng Lee lands as described in Deed Book 3036 at Page 470, said bolt being located South 49 degrees 55 minutes 28 seconds East 109.60 feet from a 5/8" rebar, the southwest corner of Lee; thence, with the east line of Lee North 38 degrees 34 minutes 04 seconds East 348.72 feet to the point of beginning. Containing 31.388 acres more or less.

This description was drawn from a plat by Derek R. Bunton, PLS L-4808, entitled "Contiguous Annexation by the City of Hickory known as Bowman Rentals, LLC" dated February 20, 2024.

Section 2. Upon and after the 31st day of May 2024, the above-described territory and its citizens and property shall be subject to all debts, laws, ordinances, and regulations in force in the City of Hickory and shall be entitled to the same privileges and benefits as other parts of the City of Hickory. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10, as amended.

Section 3. The newly annexed territory described herein shall become part of Ward No. 3 of the City of Hickory.

Section 4. The Mayor of the City of Hickory shall cause to be recorded in the Office of the Register of Deeds of Catawba County, and in the Office of the Secretary of State at Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 hereof, together with duly certified copy of this Ordinance. Such a map shall also be delivered to the County Board of Elections, as required by G.S. 163-288.1.

2. Approved on First Reading Rezoning Petition 24-05 for Property Owned by Bowman Rentals, LLC, Located at 2063 Startown Road, PIN 3721-13-04-3211 - Presented by Planning Director Brian Frazier.

The applicant has submitted a petition requesting to rezone the subject properties from Catawba County's R-20 designation to City Planned Development (PD). The current residential (R-20) zoning assigned to the property allows for primarily

residential uses. As currently zoned, the subject properties could theoretically yield up to 62 dwelling units. These numbers are a theoretical maximum, and other regulatory requirements for building setbacks, parking, buffering, natural features, and similar items could substantially decrease this maximum intensity. It should also be noted that the R-20 zoning district has a maximum height limitation of 45 feet, therefore any new structures could not exceed three (3) stories. The requested Planned Development is proposed to be residential in nature. The plans depict the properties as consisting of twelve (12) residential apartment buildings, which contain 300 dwelling units with 75 townhome units. Calculations would put density at roughly 12.17 units per acre when considered with the entire project density. The Hickory Regional Planning Commission conducted a public hearing on April 24, 2024, to consider the petition and acknowledged the petition's consistency with the Hickory by Choice 2030 Comprehensive Plan. Based upon its findings, the Hickory Regional Planning Commission voted unanimously to recommend approval of the petition. Staff concurs with the recommendation of the Hickory Regional Planning Commission.

The public hearing was advertised in a newspaper having general circulation in the Hickory area on April 27, 2024, and May 4, 2024.

Mayor Guess asked City Manager Warren Wood to introduce the public hearing.

City Manager Warren Wood asked Planning Director Brian Frazier to the podium to present rezoning petition number 24-05 for property located at 2063 Startown Road.

Planning Director Brian Frazier gave a PowerPoint presentation. He advised the property was currently zoned Catawba County R-20, and the request was an indication that the owners desired to develop the property for residential purposes and were looking to rezone the property to PD, Planned Development. He referred to the PowerPoint and displayed the future land use map. He pointed out that it cut into a few different sections in terms of public institutional, with CVCC, the core area, and high density residential. There was an overlap in the future land use map. He displayed the current zoning map and pointed out the County R-20 area, the O&I area, the Commercial 3 area, the City limits area, the R-2 area in the City, the Planned Development area located in the City, the R-4, and the IND conditional zoning. He pointed out the location of the property that would go from County R-20 to City of Hickory PD, Planned Development. He displayed another map and pointed out the property in question, the CVCC campus, and Trivium Corporate Park. He mentioned it was somewhat of an old aerial photo and pointed out the Preston Ridge mixed use project. He displayed a preliminary drawing of the site that showed both multifamily as well as single family properties on the site. If the rezoning was approved tonight, it would still have to go back through the plan review process that the City, County, and NCDOT (North Carolina Department of Transportation) were involved in. The rezoning petition 24-05 was classified by Hickory by Choice as high density residential, neighborhood mixed use and regional commercial. The plan called for a mix of residential, retail, and office space uses, and then the key elements for this district neighbor scaled commercial developments, civic institutional functions, residential, schools, etcetera. The vicinity in which the property was located was outlined on the previous map that he had displayed. It possessed most of these elements and the proposed zoning, PD, would include single and multifamily residential units, which were components of the neighborhood mixed use area plan. The stated goal of the comprehensive plan Hickory by Choice 2030 was to support a network of mixed-use centers. Mixed use centers were intended to be neighborhood scaled, convenient access to goods and services, and the proposed development was within a short distance of larger shopping areas along Catawba Valley Boulevard SE, and US Highway 70 SE. The petition was consistent with Hickory by Choice. The Planning Commission previously conducted a public hearing to consider the petition, during the public hearing two people spoke in favor while no one spoke in opposition of the proposed rezoning. Upon closing the public hearing, the Planning Commission acknowledged the petition's consistency with Hickory by Choice 2030, and based upon such findings, the Planning Commission voted unanimously to recommend approval of this petition. Staff concurred with the recommendation of the Hickory Regional Planning Commission. He asked for questions.

Mayor Guess asked for any questions from the Council.

Alderman Wood asked if there had been any suggestion of a commercial element on this property.

Mr. Frazier commented yes sir. There had been some discussion of maybe acquiring some additional contiguous parcels, possibly. That was not anything definitely. If there was to be something commercial in terms of mixed use, it would

probably be in one of those contiguous parcels. One of the issues now was it was tough to get commercial in there, as most commercial businesses, especially the larger ones, some of the big boxes or even a smaller grocery store were looking for rooftops. They were going to be getting a lot of rooftops, but it was still a little bit too early. If the developer/property owner did come back for a further, more diversified mixed use with commercial, they would have to evaluate it and probably would have to go back through the planning process, through the Commission, and to the Council.

Alderman Wood thought that it seemed like a good location for that type. He thanked Mr. Frazier.

Mayor Guess asked for any other questions for Mr. Frazier. He thanked Mr. Frazier. Mayor Guess declared the public hearing open and asked if there was anyone present to speak in opposition to the proposal. No one appeared. Mayor Guess asked if anyone wished to speak in favor of the proposal.

Mr. Will Clayton, 2080 Singer Drive, Hickory, NC, advised he was the designer, or would be the design engineer on this project. He always liked to come up and if there were any questions, he could hopefully answer them. They were early on in the process, so he did not have a lot of detail. He asked for any questions, and he would be happy to answer them.

Mayor Guess asked for any questions. He declared the public hearing closed.

Alderwoman Patton moved, seconded by Alderwoman Williams approval of Rezoning Petition 24-05 for the property located at 2063 Startown Road. The motion carried unanimously.

ORDINANCE NO. 24-17

AN ORDINANCE OF THE HICKORY CITY COUNCIL AMENDING THE OFFICIAL HICKORY ZONING ATLAS TO REZONE +/- 30.80 ACRES OF PROPERTY LOCATED AT 2063 STARTOWN ROAD, FROM CATAWBA COUNTY R-20 RESIDENTIAL TO CITY OF HICKORY PLANNED DEVELOPMENT (PD)

WHEREAS, Article 2, Section 2.2 of the Hickory Land Development Code provides for amendments to the Official Zoning Atlas; and

WHEREAS, the property owner has been petitioned to rezone +/- 30.80 acres of property located at 2063 Startown Road, more particularly described on Exhibit A attached hereto, to allow a Planned Development District; and

WHEREAS, the Hickory Regional Planning Commission considered the proposed rezoning during a public hearing on April 24, 2024, and forwarded a recommendation of approval to the City Council; and

WHEREAS, Article 2 of the Hickory Land Development Code requires findings the proposed rezoning is in response to changing conditions and is reasonably necessary to promote the public health, safety, and general welfare; and

WHEREAS, the City Council has found Petition 24-05 to be in conformance with the Hickory by Choice 2030 Comprehensive Plan and Zoning Ordinance,

NOW, THEREFORE, BE IT ORDAINED by the City Council of Hickory, North Carolina, THAT THE REZONING OF PROPERTY DESCRIBED IN EXHIBIT A is approved.

SECTION 1. Findings of fact.

- The subject properties are located at 2063 Startown Road and identified as PINs 3721-13-04-3211.
- The rezoning request is intended to further implement the recommendations of the Hickory by Choice 2030 Comprehensive Plan.
- The rezoning of the property is consistent with the Hickory by Choice 2030 Comprehensive Plan.

SECTION 2. All ordinances or provisions of the Hickory City Code which are not in conformance with the provisions of the Amendment occurring herein are repealed as of the effective date of this Ordinance.

SECTION 3. Statement of Consistency and Reasonableness

Upon considering the matter, the Hickory City Council found:

2030 Comprehensive Plan states the following about High Density Residential areas: “High density residential development in Hickory is located in or near mixed-use areas or higher- intensity commercial districts.” (HBC 2030, Pg. 24). The comprehensive plan also indicates a density of 12 to 20 dwelling units per acre is appropriate for the High-Density Residential classification.

Given these factors, the rezoning of the properties to Planned Development (PD) is consistent with the findings and recommendations of the Hickory by Choice (2030) Comprehensive Plan.

Section 1.7 of the Hickory Land Development Code contains its Stated Purpose and Intent. This section contains five (5) specific items which the Land Development Code is intended to uphold. These are as follows:

- Implement the Hickory by Choice 2030 Comprehensive Plan.

The applicant has provided a planned development master plan for the subject properties. The plan and its consistency with the comprehensive plan were discussed on this report’s prior pages and was found to be consistent with the comprehensive plan.

- Preserve and protect land, air, water and environmental resources and property values.

All improvements that are to take place on the properties will be required to follow all applicable development regulations.

- Promote land use patterns that ensure efficiency in service provision as well as wise use of fiscal resources and governmental expenditures.

The subject properties are located directly off Startown, which is a major thoroughfare in the southeastern part of Hickory. The portion of the corridor that lies within Hickory is largely urbanized and commercial in nature. Public utilities (water and sewer) are also located along Startown Road but will need to be extended to serve the proposed development. Any future development that occurs on the properties will be evaluated as to what impacts, if any, will be placed upon nearby public infrastructure. The owner and/or developer of the properties will be required to cover any financial costs needed for any required infrastructure improvements identified through the evaluation process.

- Regulate the type and intensity of development; and

This Hickory Land Development Code regulates the type and intensity of development that is located on the subject properties. If the request is approved, the planned development master plan submitted as part of the petition will serve as the document that guides development on the properties. Additionally, construction plans for the properties, once received, will be reviewed in light of the regulations contained within the Hickory Land Development Code.

- Ensure protection from fire, flood, and other dangers.

The subject properties will be required to adhere to all state and local building, fire, and flood zone related development regulations. Such regulations will ensure proper protections are provided to ensure surrounding residents, and property are properly protected as prescribed by law.

- The suitability of the subject property for the uses permitted under the existing and proposed zoning classification:

The current residential (R-20) zoning assigned to the property allows for primarily residential uses. The proposed PD development would utilize residential uses.

- The extent to which zoning will detrimentally affect properties within the general vicinity of the subject property:

Any rezoning has the potential to detrimentally impact properties in the general vicinity. Through proper site planning, buffering, and screening, as required by the City’s Land Development Code, any real or perceived detrimental impacts could be mitigated to maximum extent practical.

- The extent to which the proposed amendment (zoning map) will cause public services including roadways, storm water management, water and sewer, fire, and police protection to fall below acceptable levels.

Public resources to provide critical public services are in place to service the area. These include public utilities transportation infrastructure, as well as police and fire protection.

- The proposed amendment (zoning map) will protect public health, safety, and general welfare.

The properties in question are located within an area where the City's comprehensive plan anticipates as being more urbanized and mixed use in nature. Any future development that occurs of the subject properties will be guided by the planned development master plan. Additionally, all development activities on the subject properties will be required to adhere to regulations related to zoning, building and fire code, traffic, stormwater, etc., which will work in conjunction with one another to ensure the health and safety of residents and visitors are properly protected.

Based upon these findings, the Hickory City Council has found Rezoning Petition 24-03 to be reasonable, and consistent with the findings and recommendations of the Hickory by Choice 2030 Comprehensive Plan.

SECTION 4. This Ordinance shall become effective upon adoption.

3. Denied the Voluntary Non-Contiguous Annexation of 49.21-Acres Located at 3940 River Road, PIN 3710-09-17-5434, Owned by Boureau and Creech Properties, LLC – Presented by Planning Director Brian Frazier.

Consideration of the voluntary non-contiguous annexation of 49.21 acres property located at the 3940 River Road, identified as PIN 3710-09-17-5434. The property is currently vacant and located within the planning jurisdiction of Catawba County and zoned R-20 Residential. Properties zoned R-20 can be utilized primarily for residential purposes, at a maximum density of 2 dwelling units per acre. If annexed, the property owners have requested the property be zoned Medium Density Residential Conservation (R-2), with their future intentions being the construction of a 99-lot single-family residential subdivision. This would equate to a density of 2.07 dwelling units per acre. Surrounding properties are zoned R-20 Residential and R-1 Residential and are occupied by detached single-family residences, and a wastewater treatment plant. Staff determined the petition meets the statutory requirements for voluntary non-contiguous annexation, and adequate public services are available. Staff find the petition to be in conformity with applicable statutes and recommend approval of the petition.

The public hearing was advertised in a newspaper having general circulation in the Hickory area on April 20, 2024.

Mayor Guess asked City Manager Warren Wood to introduce the public hearing.

City Manager Warren Wood asked Planning Director Brian Frazier to the podium to present a request for voluntary non-contiguous annexation of 49.21-acres property located at 3940 River Road, owned by Boureau and Creech Properties, LLC.

Planning Director Brian Frazier gave a PowerPoint presentation. They were looking at just under 50 total acres. The current development was vacant. The future development was potential single-family conservation or cluster subdivision. Annexation was once again being sought to gain access to public utilities. This time City maintained sanitary sewer. He referred to the PowerPoint and displayed a map. He pointed out the subject property, the approximate closest City boundary, the Hickory City limits, and the extra-territorial jurisdiction (ETJ), River Road, and Highway 321. He displayed a zoning map and pointed out the proposed area to be annexed tonight, County R-20, and City R-1 zoning. He displayed another map and pointed out the area in question, River Road, to the north was the City-owned Henry Fork Wastewater Treatment Plant. He displayed the proposal and pointed out the plant, and the development. It was proposed to be a 99 single-family conservation cluster development. He noted the stormwater control measures on the drawing and the area which included some topo and floodplain. This would all be permanent open space. When they had a conservation or cluster subdivision there was a higher density in the lots, they were smaller and closer together. But going to the R-2 they have to maintain a minimum of 30% open space in perpetuity. This plan to consider would go beyond that. He discussed staff findings and recommendations. The voluntary annexation petition

complied with the applicable statutes. Adequate public services were available in sufficient quantities and the annexation of the property would not cause available public services to fall below acceptable levels. Based on these findings, staff recommended approval of the requested annexation. He asked for questions.

Mayor Guess asked for any questions. He thanked Mr. Frazier. He mentioned there were folks who had signed up on both sides to speak in opposition and in favor. He reminded them that the total time was 15 minutes for each side whether it was in opposition or in favor. He declared the public hearing open and asked if there was anyone present to speak in opposition to the proposal.

OPPOSITION

Mr. Patrick Daily, 3864 Serenity Drive, which was in the Melrose Place Subdivision. He wanted to thank the Council for the opportunity to speak again regarding the development of this 49-acre tract next to the Henry Fork Wastewater Treatment Plant and the Henry Fork River. He thanked them for hearing their concerns last November regarding the impact of building all of these homes would have for them as a quality-of-life issue. He could speak again about traffic congestion and safety, the strain on Catawba County's education system, meeting the cost of public service, and so forth, but in the time allotted, he expected others this evening to make those remarks. For him as a representative of the River Road residents, however, he limited his remarks to two particular matters of concern. Those were the proximity of this land development project to the Henry Fork Industrial site and its proximity to the Henry Fork River. For different reasons these manmade and natural features were important to the well-being of everyone who lived and worked in the Hickory region and beyond. According to the Hickory by Choice 2030 plan "the City of Hickory had aging facilities and infrastructure that was in need of continued maintenance and repair and must continue to plan for growth in the system due to population industrial increases. The City has identified the need for additional water storage in the distribution system, continued replacement of aging infrastructure" and other needs. Since that document was completed, the City of Hickory had been making significant progress, particularly with the Henry Fork plant and the Long View plant. He could not say enough about how good this was going to be for all of them here. The \$35 million upgrade to the solid waste handling process at the Henry Fork facility was impressive to say the least. He had seen it. The key word was "continue" and he thought this development put limits on the ability for continuation at the plant in the future. He also thought a larger concern with this proposed project was the impact it would have on the surrounding tree canopies in the area. Acres and acres of trees would be removed. There was also the resulting impact it would have on anyone buying a lot and moving so close. He could not imagine the adjustment new homeowners would need to the sights, sounds, and smells that they would experience living so close. Those who lived in the area had already experienced the effect from a distance but have adapted and have worked with Mr. Shaver and plant operators to live together in peace. They know that the plant was built there long before three subdivisions were built along River Road. Before the plant was built in the 1960s there were several houses along what was then called Henry River Road among a massive farm owned by Colin Yoder and his family. Before all of that there were native American Indians of the Mississippian culture who lived along the River Road area and likely had a settlement on this location. All of Hickory's water treatment and wastewater treatment plants, including the one in Catawba and the future Long View, were surrounded by trees and in some cases non-residential activities such as a ball field and even the River Walk. But they were limited use, not 24/7 use like housing, and all were surrounded by low density zoning, and that was on purpose. This annexation proposal for building up to 99 homes changed things for the City of Hickory. It set a precedent that would have to be selectively dealt with the next time a builder wanted to hook up water and sewage lines to a plant. For this one reason alone, the time to say decline was now. The second precious commodity they had was a water source. They were fortunate to live in an area where the Catawba, Jacobs Fork, and the Henry Fork rivers flowed. He again quoted Hickory by Choice land use section "residents appreciate harmony as the City manages development and should keep in mind that balancing compatibility are important characteristics. New uses must fit in respecting the context in which they are set". Here was where the Henry River Conservation District, also described in the Hickory by Choice plan, and the three-year-old Henry Fork and Jacobs Fork Rivers Conservation Plan became important. Both were designated for protection and controlled public access. The Henry and Jacobs Fork plan offered recommendations to conservation groups, landowners, State agencies, and local governments, such as us, to insure high quality drinking water, reduced water pollution from erosion, and explained how these rivers were a key to economic growth. Catawba County helped to fund it and the City of Hickory had been among their partners and stakeholders. His point here was that this particular development project should be a concern to all those interested in conservation of

their water resources because it affects the future of these rivers for the various needs that they have, and they want. It risked pollution down the road, should pipes wear out or become damaged by tree roots or soil erosion. Please do not annex and please retain the low-density designation this land already has. He thanked Council.

Mayor Guess asked Mr. Tom Kenney to the podium.

Mr. Tom Kenney asked how much time remained.

Administrative Assistant Iris Childers advised 8 minutes 36 seconds.

Mayor Guess advised there was another person who had signed up.

Mr. Tom Kenney advised he was with Foothills Conservancy of North Carolina, and it was actually an honor and privilege.

Mayor Guess asked for Mr. Kenney's address.

Mr. Tom Kenney, 204 Avery Avenue, Morganton, advised he was a citizen of Morganton, but the land trust in which he was a staff member and a servant for the regional good was Foothills Conservancy of North Carolina. It was a pleasure to be back in front of the Hickory City Council, and he wanted to simply share information and refresh the Council on the progress made, that Mr. Daily mentioned, a plan that was prepared and published probably five or six years ago, and that was with the support of Catawba County's General Assembly members with Hickory as a stake holding partner. The Henry and Jacob Fork Rivers, and a total of 800 acres of North Carolina State Park land on the Henry and Jacob Fork Rivers, investments to date, green infrastructure, it was an incomplete story of the benefits that the plan seeks to deliver to Catawba County residents, all of the municipalities, including Hickory and visitors and tourist that visit the areas. Whether it was new companies looking to invest in the City of Hickory in Catawba County, or new residents, or visitors to outstanding green infrastructure assets like conservation lands publicly owned along important and enjoyable scenic rivers like the Henry and Jacob Fork. There was certainly a history of use and needs that had been provided by the Henry Fork River in particular but there had been great progress today. He wanted to remind the Council of those investments in green infrastructure made five to six years ago, and that this story and this vision of outdoor recreation assets, and economic benefits for Hickory and Catawba County was still a work in progress. He was present to share information about that and to encourage that. It would be wonderful if there was an opportunity for concerned property owners and neighbors to meet with the current landowner, that wants to bring certainly needed housing to the area, to find and explore solutions that respect the investment of gray infrastructure, the wastewater treatment plant that Hickory has made, and also the green assets and infrastructure, which included 303 acres, the Harris property on the Henry Fork River close by upstream. He thanked the Council for the opportunity to comment and he left some materials for the Clerk to share for those interested.

Mayor Guess asked Maria Araya to the podium.

Ms. Maria Araya, 3694 Serenity Drive, Hickory, North Carolina 28602, advised the only comment she had was Hickory's City moto, Life. Well Crafted. It would not benefit the neighbors and the City as a whole. It was too close to the wastewater treatment facility. It would be taking away the quality of life and not adding any value at all to the community and the surrounding area. She thanked Council.

Mayor Guess asked how much time was left on their 15 minutes.

Administrative Assistant Iris Childers advised 4 minutes and 38 seconds.

Mayor Guess noted there was time left. He asked if there was anyone that did not have an opportunity to sign up that would like to speak in opposition. If they would like to take any or all of the remaining time. No one else appeared. Mayor Guess asked for people in favor of the proposal to speak.

PROPONENTS

Mr. Jared Carpenter worked with Century Communities and was the builder on the River Road project. His address was 7401 Carmel Executive Park Drive, Charlotte, North Carolina. He thanked Council for the opportunity to come speak with them about the River Road project. He gave a PowerPoint presentation. He explained why they chose the River Road location. It was a great site. It was in the natural path of growth on the south side of town. It had great access, access to all over

via Highway 321, and Highway 40. The residential land use was consistent with the area, and it was also consistent with the Hickory by Choice 2030 plan. Site conditions were also very favorable for a residential development, and they were excited about this opportunity. He advised them they were proposing 99, 50-foot lots. They were intending on clustering them up at the road. This was a departure from what they previously saw late last year, and he would get into the differences later in the presentation. This density per acres would be two units per acre. This was consistent with what the County zoning was now. They were not asking for any additional homes on the property versus what they could do in the County right now, today. Under this plan, they would be keeping more than 50% of the property as open space. He knew that they had to get over 30%, but they came last year, and heard the feedback from the City Council. They heard the feedback from the neighbors and had committed to keeping over 50% of the property as open space and tree safe. In addition, this community was going to be really nice being built in the City. They were going to have sidewalks, curb and gutter, stormwater control measures, and an amenity area with a playground in a field for the children in the neighborhood to play. When they came to City Council last year, they heard concerns from the Council members and the residents. They largely laid out into these six categories, density, environmental impact, potential odor, traffic, schools, and public safety. They had reconfirmed with NCDOT that River Road was under capacity. They do not have traffic concerns. They had subsequently reached back out to the Catawba County school board and had verified that the schools were under capacity, and they had no concerns about handling this property. He referred to the PowerPoint and advised it was the site plan they showed last year. They had an entrance coming out onto the access road for the wastewater treatment site sort of on the northwest portion of the property. This was to get around, not being able to get two entrances off of River Road. They sort of loosely had come to terms with the City that that would be acceptable. But subsequently, with the reduction in 99 lots, they could just have that one entrance off River Road. They could eliminate that entrance off the access road there. Fire and Life Safety did not have concerns with it originally after their TRC meeting and sitting down with them. They believed that this plan made the community safer. They were happy to make that concession. Once they dropped below 99, they did not need it anyway. It should help if there was a situation in the community. With regards to the other concerns, density, as he mentioned previously, they came to Council last year with substantially more lots on their site plan. They previously showed 179 home sites. They had reduced that by 79 to get under the 100-lot threshold which was the essential by right density for the County zoning. In addition to this, environmental impact, and potential odor, were also concerns. They believed that leaving more than 50% of the property as open space and tree buffer was going to help mitigate some of the potential odor, and it was also going to leave a natural habitat for any wildlife living out there right now. They did perform cultural resource studies as well as wildlife studies. They found no protected or endangered species on this site, and they found no cultural resources either. Furthermore, their development was not going to impact any wetlands or tributaries. And some of the concerns about the Henry Fork and how precious and valuable to the community it was, they agreed. They had always agreed, they felt they were leaving a very substantial natural buffer here between any of their homes and the river. In addition to that, they were going to install stormwater control measures to help mitigate any sort of other impact from runoff on their site. With regards to the wastewater treatment plant, as they sell through the community, they would be disclosing the wastewater treatment plant to any of their buyers. That was part of their natural process. They would give them a list of disclosures about anything in the area that might be a concern. They would be going into the community in the buying process with their eyes wide open, as other residents in the area have done over the years. They believed they were going to enjoy it. It was a nice quiet part of town and he believed that was why a lot of the local residents continued to live there today. Century Communities was very excited about this project. They believed that the River Road site was a thoughtfully designed community that was going to preserve more than 50% of the open space for the neighbors, for the residents, and for the City. They were going to preserve it at no cost to anybody but themselves. They thought it was the right thing to do. He asked Council if they had any questions for Century Communities and or Shabeldeen Engineering.

Mayor Guess thanked Mr. Carpenter. He asked Dan Shabeldeen to the podium.

Mr. Dan Shabeldeen, 3145 Tate Boulevard SE, Shabeldeen Engineering advised they were the design engineers on the project.

Mayor Guess requested Mr. Shabeldeen to give his residential address, please.

Mr. Dan Shabeldeen advised 2905 9th Street Place NE, Hickory, North Carolina. Mr. Carpenter hit pretty much the main points. They had talked about this project before. There was one thing that that he wanted to take a moment and let this sink

in. Mr. Daily mentioned the significance of Henry Fork and the significance of potential environmental impacts to Henry Fork and the river. They were proposing to keep undisturbed 24 acres of woodland, which would be a buffer for the Henry Fork. He did not know any other development that was going to just preserve 24 acres, particularly of buildable land. That essentially would be a preserve for the Henry Fork. The development that they were looking at was concentrated up by River Road. It was on a bluff and sat 50 feet or so above the Henry Fork. It was as far from Henry Fork as you could possibly get with any type of impervious areas or any other developments. Of course, they were going to have a stormwater control measure that was going to treat and detain any stormwater coming off the site. One of the comments that they had previously was traffic noise and trucks running up and down the access road. He advised from the layout they had eliminated all the lots that backed up to that access road to the wastewater treatment plant. He thought now that it was probably at least a 100-foot buffer, maybe even more, particularly in some areas between the back lot line and the access road to the wastewater treatment plant. He mentioned before, their proposal was also to deed that access road to the City. It was a perpetual easement, the City does not own that road, they have a perpetual easement as long as they maintain it in good shape, good condition, they could continue using it. Part of their proposal was to deed that to the City as long as that little triangular piece up in the corner there, he referred to the map, they talked to the utility department and was going to locate a pump station in that corner. Those were the main objects. The density, when they talk about the development, the County allowed 2 units per acre, they were at about 2.07 units per acre. It really complied at the same density as the County zoning would allow. It was a much smaller footprint obviously than what they had before. Total open spaces, about 27 acres, as Mr. Carpenter said, that was probably about 58% of the property would remain undeveloped. Those were the main points that he wanted to bring forward.

Mayor Guess asked how much time was left for those in favor.

Administrative Assistant Iris Childers advised 3 minutes and 44 seconds. He asked if anyone else wished to speak in favor. No one else appeared. He declared the public hearing closed. He asked for a motion or further discussion.

Alderman Freeman commented that last November they came before the City Council and the City Council rejected this project. If his memory served him correctly, it was mentioned that they were not going to build through the City, that they were going to go through the County. He was trying to figure out if there was a process, did they go to the County or did they just come back to the City? Or him being a Pastor, and a City Councilman, his memory could serve him wrong.

City Manager Warren Wood advised they had missed the rebuttal and surrebuttal. Mayor Guess had already closed the public hearing.

Mayor Guess apologized.

Mr. Jared Carpenter commented they had not gone before the County to look at doing this project within the County limits. After the denial last year, they sat down and had further conversations with the Planning Department, the Town Manager, Assistant Town Manager, to try to find a solution. They thought it made sense and that it was the right thing to do to develop this site and to tie it into public utilities. By right development in the County was going to mean more land disturbance. The project was very close to public utilities, so they thought that it just made sense. They had not pursued it through the County. They had just been working on massaging their plan to something that was a little more conducive to the Council and to the local residents.

Alderman Wood addressed Mr. Carpenter he had mentioned selection criteria that they used when they selected this property. He asked what weight did they give its proximity to a wastewater treatment plant? And to follow up on that was the property currently under a contingency contract that if this was not approved that the sale does not go through?

Mr. Carpenter advised obviously they were aware of the wastewater treatment plant going into the process. He had been a part of a project immediately adjacent to a wastewater treatment facility in a different part of North Carolina. It was east of Charlotte, out in Albemarle. There were some buyer objections for negative adjacent uses, but it was not one that prohibited them from being successful out in that community. He had also been a part of projects that backed up to interstates and things like that as well. They would obviously love for it not to be there. But it was, and they were in the business of providing housing for individuals and they thought despite that, it was a great location. With regards to contingency contract.

It was not really, if it was denied in the City of Hickory, they do have the ability to take it to the County. It was just not their preferred option.

Alderman Wood commented that Mr. Carpenter was saying by right, they could put 98 homes if they develop it under County zoning, correct?

Mr. Carpenter responded hypothetically.

Alderman Wood thought that was right. He asked how much of this, what percentage of this lot was unbuildable because it was in a floodplain or other topographical issues?

Mr. Carpenter deferred to Mr. Dan Shabeldeen. He believed it was eight acres.

Mr. Dan Shabeldeen approached the podium and advised it was roughly eight acres through the floodplain.

Alderman Wood commented that takes it to 82 homes under County zoning.

Mr. Carpenter commented they may be able to utilize some of the floodplain as open space in people's backyards. There might be the potential to plus that up a little bit.

Alderman Freeman commented since he said that building through or in the City limits was the preferred option, he asked could he explain why?

Mr. Carpenter explained they have less issues when they tap into public utilities. Septic systems fail and it becomes a little bit of a warranty issue. They were a national home builder, so they had product that they liked to deploy in different municipalities, and it was really more of a smaller lot product. They do have larger products in their portfolio that they could deploy on half-acre lots if they needed to. It was not their bread and butter. Furthermore, by doing the smaller lot cluster, they would need to be on public utilities. But that allowed them to preserve more open space than they would otherwise if they went in the County and did a septic project.

Alderwoman Patton asked if they had done any kind of testing to see if the soil perks so that they could actually develop, as Mr. Shabeldeen said, maybe eight acres, maybe it was more than that would not be developable, which would be a reduction even further in what the County would allow.

Mr. Carpenter advised that they had not done perc tests. They had done their standard geotechnical tests, which showed that the soil out there was extremely suitable for development. They were going to be largely consistent with what was in the adjacent Melrose Place community. He would expect that a large portion, if not all of the site would perc, based on the information that they had today.

Mayor Guess asked for any other questions or discussion.

Alderman Freeman thanked the residents in the River Road area, and those who were adjacent to this property, and to Mr. Shabeldeen. He had been reached out to by both sides, and to be honest, this would basically be within his ward. He would not mind having new residents, but at the same time, he was learning whether it was annexations, or rezonings, some were easy, some a little bit more difficult than others. He was hearing the story that it was either traffic congestion, loss of habitation of wildlife, school capacity, and he thought they would probably always hear those that may oppose property being developed. However, his stance because he always presented himself, and they would know where he stood, his number one problem was building in close proximity to a water waste treatment facility. He wanted to say thank you to Mr. Shabeldeen, and to the citizens for coming out.

Alderwoman Patton mentioned that the City Council had part of their retreat out that way. Currently, she believed it was operating at a third of the capacity. It was a breezy day, and it still was not pleasant. She could not imagine what it would be, as Hickory grows, to have that plant go up to 100% capacity and have to live close by it.

Alderman Wood commented kind of along the same lines, he could not speak for everybody else here, but he personally has a responsibility to consider quality of life for not only existing residents, but future residents. They had been told that if it did not go through the City, that it would go through the County. They could only control what they control and make the decisions that they felt were right here in front of them. He was with Alderman Freeman. It looked like a great project. It was just the wrong spot. The wrong location for it.

Mayor Guess went on record as saying he concurred with what had already been said by the Council members that had already spoken. He agreed that if this was in any other location, that they probably would not be having the same discussion. But unfortunately, it was where it was, and he felt in the same way as the Council members who had already spoken

Alderwoman Patton moved, seconded by Alderman Wood to deny the annexation.

Mayor Guess asked for any further discussion. He advised there was a motion to deny the consideration of the voluntary non-contiguous annexation of the 49.21 acres located at 3940 River Road. The vote was taken. Ayes: Alderman Wood, Alderwoman Williams, Alderman Seaver, Mayor Guess, Alderman Freeman, and Alderwoman Patton. Nay: Alderman Zagaroli. The motion to deny the voluntary non-contiguous annexation carried 6-1.

4. The Annexation Request was Denied; therefore, City Council did not have the Authority to Consider Rezoning Petition 24-06 for Property Owned by Boureau and Creek Properties, LLC, Located at 3940 River Road, PIN 3710-09-17-5434 – Presented by Planning Director Brian Frazier.

Boureau and Creech Properties, LLC has submitted a petition requesting the consideration of rezoning property located at 3940 River Road from R-20 Residential to Medium Density Residential (R-2). The property is vacant and zoned R-20 Residential by Catawba County. The property is in the process of being annexed, and the owners have requested the property be rezoned to Medium Density Residential Conservation (R-2) upon completion. The 47.53-acre property is zoned R-20 Residential by Catawba County. This district permits residential uses (single and two family) at maximum density of 2 dwelling units per acre, which could potentially produce up to 98 new dwelling units. The requested Medium Density Residential would consist of up to 99 single-family detached dwellings, which calculates to be 2.07 units per acre. The Hickory Regional Planning Commission conducted a public hearing on April 24, 2024, to consider the petition and acknowledged the petition's consistency with the Hickory by Choice 2030 Comprehensive Plan. Based upon its findings, the Hickory Regional Planning Commission voted 6-1 to recommend approval of the petition. Staff concurs with the recommendation of the Hickory Regional Planning Commission.

The public hearing was advertised in a newspaper having general circulation in the Hickory area on April 27, 2024, and May 4, 2024.

Mayor Guess advised since the annexation failed the public hearing for Rezoning Petition 24-06 would not be considered as the City Council did not have authority or jurisdiction over the rezoning. He recessed the meeting briefly at 7:09 p.m. for citizens in attendance to exit.

5. Approved on First Reading Rezoning Petition 24-07 for Property Owned by Jonathan and Mary Bonelli, Located on 5th Avenue NW, PIN 3703-17-02-8192 – Presented by Planning Director Brian Frazier.

Jonathan and Mary Bonelli have submitted a petition requesting the consideration of rezoning property located at 5th Avenue NW, PIN 3703-17-02-8192 from General Business (C-2) to Medium Density Residential (R-2). The property is currently unoccupied, unimproved vacant land totaling 0.35 acres. The property is C-2, which does permit some residential uses such as single family detached residences, accessory dwellings, duplexes, multi-family structures, and upper story residential, but does not permit single family detached residences. The owners have requested the property be rezoned to R-2 Residential. This residential district permits a maximum density of 4 dwelling units per acre and would allow for a single family detached residence to be built, keeping with the medium density future land use. The Hickory Regional Planning Commission conducted a public hearing on April 24, 2024, to consider the petition and acknowledged the petition's consistency with the Hickory by Choice 2030 Comprehensive Plan. Based upon its findings, the Hickory Regional Planning Commission voted unanimously to recommend approval of the petition. Staff concurs with the recommendation of the Hickory Regional Planning Commission.

The public hearing was advertised in a newspaper having general circulation in the Hickory area on April 27, 2024, and May 4, 2024.

Mayor Guess resumed the meeting at 7:10 p.m. He asked City Manager Warren Wood to introduce the public hearing.

City Manager Warren Wood asked Planning Director Brian Frazier to the podium to present rezoning petition number 24-07 for property located at 5th Avenue NW, owned by Jonathan and Mary Bonelli.

Planning Director Brian Frazier gave a PowerPoint presentation. He mentioned the property was 0.35 acres in size, and was currently vacant, zoned General Business C-2. It was just about a block off of Old Lenoir Road and the request of the property owner was that the property be rezoned from General Business C-2 to Residential R-2 to accommodate one single family residential use. He referred to the PowerPoint and pointed out the triangular shaped parcel, 3rd Avenue or Old Lenoir Road. The future land use was showing part of the properties in an urban revitalization area. The rest of it was in the medium density residential area, confirmed by Hickory by Choice. He referred to another map on the PowerPoint and pointed out the property in question, it bordered the C-2, it was currently in the C-2. It would go to the R-2, which he pointed out on the PowerPoint map. He also pointed out the location of the O and I area, the Industrial area, and the C-2 area. He displayed an aerial map and pointed out the subject property, Old Lenoir Road, Century Furniture to the south and west, and to the north Keever's store. He advised the plan identified the site as medium density residential and the revitalization area, almost but not quite equally split. The Hickory by Choice Plan recommended low residential areas be developed for housing at a density of 6 to 8 dwelling units per acre. The medium density was characterized as a transitional area between higher density areas and more rural areas. The current land use pattern of larger areas consisted mainly of those medium density residential uses. The rezoning of the property, as discussed, maintained this current pattern. The R-2 zoning was listed in the comprehensive plan as the identified implementing district for a medium density residential area. The petition was consistent with the Hickory by Choice Plan. The Hickory Planning Commission considered the request on April 24. During the hearing, one person spoke in favor of the rezoning, and no one spoke in opposition to the proposed rezoning. Upon closing the public hearing in April, the Planning Commission acknowledged the position's consistency with the comprehensive plan. Based upon the findings, the Planning Commission voted unanimously 7 - 0 to recommend approval of this rezoning petition. Staff concurred with the recommendation of the Planning Commission in full. He asked for questions.

Mayor Guess asked for any questions for Mr. Frazier.

Alderman Wood asked if this would be one dwelling on the property.

Mr. Frazier confirmed one dwelling.

Mayor Guess asked for any further questions for Mr. Frazier. He declared the public hearing open and asked if there was anyone present to speak in opposition to the proposal. No one appeared. Mayor Guess asked if anyone wished to speak in favor of the proposal. No one appeared. Mayor Guess declared the public hearing closed.

Alderwoman Patton moved, seconded by Alderman Zagaroli approval of Rezoning Petition 24-07 for the property located on 5th Avenue NW, owned by Jonathan and Mary Bonelli. The motion carried unanimously.

ORDINANCE NO. 24-19

AN ORDINANCE OF THE HICKORY CITY COUNCIL AMENDING THE OFFICIAL HICKORY ZONING ATLAS TO REZONE +/- .35 ACRES OF PROPERTY LOCATED AT 5TH AVE NW BETWEEN 10TH STREET PLACE NW AND 3RD AVE DRIVE NW, FROM GENERAL BUSINESS C-2 to MEDIUM DENSITY (R-2).

WHEREAS, Article 2, Section 2.2 of the Hickory Land Development Code provides for amendments to the Official Zoning Atlas; and

WHEREAS, the property owner has been petitioned to rezone +/- .35 acres of property located at 5th Ave NW between 10th Street Place NW and 3rd Ave Drive NW, more particularly described on Exhibit A attached hereto, to allow a Medium Density Residential district; and

WHEREAS, the Hickory Regional Planning Commission considered the proposed rezoning during a public hearing on April 24, 2024, and forwarded a recommendation of approval to the City Council; and

WHEREAS, Article 2 of the Hickory Land Development Code requires findings the proposed rezoning is in response to changing conditions and is reasonably necessary to promote the public health, safety, and general welfare; and

WHEREAS, the City Council has found Petition 24-07 to be in conformance with the Hickory by Choice 2030 Comprehensive Plan and Zoning Ordinance,

NOW, THEREFORE, BE IT ORDAINED by the City Council of Hickory, North Carolina, THAT THE REZONING OF PROPERTY DESCRIBED IN EXHIBIT A is approved.

SECTION 1. Upon considering the matter, the Hickory City Council found:

- The subject property is located at 5th Ave NW and identified as PIN 3703-17-02-8192.
- The rezoning request is intended to further implement the findings and recommendations of the Hickory by Choice 2030 Comprehensive Plan.
- The general area is classified as Medium Density Residential by the Hickory by Choice 2030 Comprehensive Plan
- The Hickory by Choice 2030 Comprehensive Plan indicates Medium density residential areas make up a large portion of the City north of I-40, as well as smaller areas in the southeastern part of town. These residential areas are associated with each neighborhood mixed use area as well as adjacent high density residential districts and/or higher intensity commercial districts throughout the City. Medium density residential areas will expand the existing housing character in the City, and they will provide a medium density housing option where the gross density would be approximately two to four units per acre in established single-family detached areas, and eight to ten units per acre in historically mixed residential areas with higher density.

Given this, the rezoning of the property to Medium Density Residential (R-2) is consistent with the findings and recommendations of the Hickory by Choice (2030) Comprehensive Plan.

FURTHERMORE, the rezoning of the property is reasonable as the development type and intensity is similar to that of the surrounding area and furthers the development pattern while adhering to the recommendations of the Hickory by Choice 2030 Comprehensive Plan.

Section 1.7 of the Hickory Land Development Code contains its Stated Purpose and Intent. This section contains five (5) specific items which the Land Development Code is intended to uphold. These are as follows:

- Implement the Hickory by Choice 2030 Comprehensive Plan.

The property is located in an area identified by the Hickory by Choice 2030 Comprehensive Plan as a medium density residential area that provides opportunities for residential development. Furthermore, a portion of the property is shown to be within the revitalization area set out in the Hickory by Choice 2030 Comprehensive Plan. Additionally, R-2 Residential zoning is listed by the comprehensive plan as an implementing district for medium density residential areas.

- Preserve and protect land, air, water and environmental resources and property values.

All improvements that are to take place on the property will be mandated to follow all applicable development regulations.

- Promote land use patterns that ensure efficiency in service provision as well as wise use of fiscal resources and governmental expenditures.

The subject property has access to City maintained roads on 5th Avenue NW, and 10th St Pl NW, as well as a NCDOT maintained roadway, 3rd Avenue Dr NW (Old Lenoir Rd). Public utilities are also available. The property owner will be responsible for any necessary extensions needed for services, as well as any required transportation improvements. The land-use pattern of the area, with the inclusion of the subject property, represents an efficient use of public services, and the wise use of public funding.

- Regulate the type and intensity of development; and

The current land use pattern of the larger area is predominately residential in nature. The exception to this is the commercial buildings that follow 3rd Avenue Dr

NW (Old Lenoir Rd) to its south. Any future residential use of the property is best suited to further the existing development pattern of the area. Public resources to provide critical public services are in place or will be provided by the property owner / developer to service any future development. These include public utilities and transportation infrastructure.

- Ensure protection from fire, flood, and other dangers.

The subject property will be required to adhere to all state and local building, fire, and flood zone related development regulations. Such regulations will ensure proper protections are provided to ensure surrounding residents, and property are properly protected as prescribed by law.

- The suitability of the subject properties for the uses permitted under the existing and proposed zoning classification.

The current zoning and use of the larger area is predominantly residential, with the exception of businesses along 3rd Avenue Dr NW (Old Lenoir Rd). The current district permits residential but does not fully permit all types of residential uses, which is promoted by the city’s comprehensive plan. The requested district would allow for a single-family development that matches the medium density residential guidelines set forth in the comprehensive plan.

- The extent to which zoning will detrimentally affect properties within the general vicinity of the subject property.

Given the similarity of the current and requested districts, conflicts in use types would not be anticipated, nor expected to cause detrimental impacts on the surrounding area.

- The extent to which the proposed amendment (zoning map) will cause public services including roadways, storm water management, water and sewer, fire, and police protection to fall below acceptable levels.

Public resources to provide critical public services are in place or will be put in place by the property owner / developer to serve the development. These include public utilities transportation infrastructure, as well as police and fire protection.

- The proposed amendment (zoning map) will protect public health, safety, and general welfare.

Any future development that occurs of the subject property as the result of the zoning map amendment, will be required to be adhere to regulations related to zoning, building and fire code, traffic, stormwater, etc., which will work in conjunction with one another to ensure the health and safety of residents and visitors are properly protected.

SECTION 2. All ordinances or provisions of the Hickory City Code which are not in conformance with the provisions of the Amendment occurring herein are repealed as of the effective date of this Ordinance.

SECTION 3. Conditions of Approval

1. The development of the subject property shall be undertaken as outlined on the approved master plan.
2. All necessary infrastructure extensions and improvements to serve and complete the project shall be the responsibility of the property owner / developer.
3. All infrastructure shall be constructed and maintained to the standards of the City of Hickory.

SECTION 4. This Ordinance shall become effective upon adoption.

6. Approved on First Reading Rezoning Petition 24-08 for Property Owned by Donald C. Scronce, Located at 2010 Startown Road, PIN 3721-09-05-4815 – Presented by Planning Director Brian Frazier.

A petition has been submitted requesting the consideration of rezoning property located at 2010 Startown Road from Low Density Residential (R-1) to Regional Commercial (C-3). The subject property is currently zoned R-1 Residential and totals +/- .54 acres in total size. The current R-1 zoning district is primarily residential and permits one and two-family residential uses at a density of two

dwelling units per acre. The subject property is currently occupied by a commercial building. The owners' intention is to continue utilizing the property as an office. The Hickory Regional Planning Commission conducted a public hearing on April 24, 2024, to consider the petition. Upon closing the public hearing, the Hickory Regional Planning Commission acknowledged the petition's consistency with the Hickory by Choice 2030 Comprehensive Plan and voted unanimously to recommend approval of the petition. Staff concurs with the recommendation of the Hickory Regional Planning Commission.

The public hearing was advertised in a newspaper having general circulation in the Hickory area on April 27, 2024, and May 4, 2024.

Mayor Guess asked City Manager Warren Wood to introduce the public hearing.

City Manager Warren Wood asked Planning Director Brian Frazier to the podium to present rezoning petition number 24-08 for property located at 2010 Startown Road, owned by Donald C. Scronce.

Planning Director Brian Frazer gave a PowerPoint presentation. He mentioned the applicant was Sean Drum who was present. The property size was just a little bit over half an acre. It was currently zoned low density Residential R-1. The rezoning request was an indication that the owner desired to use the property for office use. The request was to rezone the property from low density Residential R-1 to Regional Commercial, C-3. Regional Commercial, C-3, was pretty much a catch-all for just about all types of commercial development, significantly big box, which on a little over half an acre would not be. He referred to the PowerPoint and displayed a map. He pointed out the subject property in question, the regional commercial area, public use for schools, in this case, Catawba Valley Community College (CVCC). He advised it was located almost across from Short Road, and the future subdivision, as well as Preston Ridge apartments. It was just on the other side of the road. He displayed a map and pointed out the parcel and the rezoning that was currently R-1, the Planned Development (PD) area, the O and I area, the college (CVCC), the County zoning area, the R-20, and the current PD area which had some O and I as well. He noted there was contiguous commercial 3 zoning with this R-1 tract. He referred to a somewhat older aerial map and pointed out the parcel in question, Preston Ridge Development, Phase Two was almost done, the area of the Short Road development, Bowman Rentals, the CVCC campus, Catawba Valley Boulevard, and Highway 70. According to the Hickory by Choice Plan, again, the area converges on three future land use categories, public institutional, neighborhood mixed use, and regional commercial, much like Bowman Rentals that Council heard the presentation earlier. The C-3 zoning district implemented the regional commercial policies of the comp plan, and the C-3 district was intended to provide a full range of retail and business services. He advised the C-3 district permits a wide variety of uses, including professional services. Given these factors the rezoning of the property to C-3 they believed should be considered consistent with the findings and recommendations of the 2030 plan. Staff believed that rezoning petition 24-08 was consistent with Hickory by Choice. The Planning Commission conducted a public hearing on April 24, to consider the petition. During the public hearing, one person spoke in favor of the rezoning, which was, he believed, was the applicant, and no one spoke in opposition. Staff have not received contact or calls since then. Upon closing the hearing, the Planning Commission acknowledged the petition's consistency with the Hickory by Choice 2030 Comp Plan, and based on the findings, the Planning Commission voted 7 to 0 to recommend approval of such petition. Staff respectfully concurred with the recommendation of the Planning Commission. He asked for questions.

Mayor Guess asked if he knew what the intended use was.

Mr. Frazier advised all he knew was that it was going to be a professional office. The applicant was present.

Alderman Wood wanted to make sure that that was the case, it was near a school, number one, and it was going to be across the street from a residential area. The comment that Mr. Frazier made that it was a catch-all for most commercial businesses, he asked was there any businesses of a delicate nature that were excluded from that zoning category. Purveyors of adult type goods?

Mr. Frazier responded no. It could depend on how far of a distance you were looking at from a public institution. As the Planning Director he would look at that as the zoning, which would be contiguous and not necessarily the nearest business to the community college. He would say yes, it would be quite restricted for such types of unnamed.

Mayor Guess asked for any further questions for Mr. Frazier. Mayor Guess declared the public hearing open and asked if there was anyone present to speak in opposition to the proposal. No one appeared. He asked if anyone present would like to speak in favor of the proposal.

Ms. Jennifer Dowell, 3262 Sigmon Dairy Road, Newton, advised that she and her other half, Sean Drum, owned Carolina Heritage Realty. They currently had the property under contract. Their plan was to put their office there. They were a residential property management company that had been in business for over 30 years. She understood that Scronce Well Service had his office there for the past 50, so it would be going from one family business to another family business.

Mayor Guess asked if she was at liberty to say what that business might be.

Ms. Dowell advised property management, real estate. Nothing fun.

Alderman Zagaroli commented no dancing girls.

Ms. Dowell advised no dancing girls. None on staff. How about that? She asked for questions.

Mayor Guess declared the public hearing closed and asked for a motion or further discussion.

Alderwoman Patton moved, seconded by Alderman Freeman approval of Rezoning Petition 24-08 for the property located at 2010 Startown Road, owned by Donald C. Scronce. The motion carried unanimously.

ORDINANCE NO. 24-20

AN ORDINANCE OF THE HICKORY CITY COUNCIL AMENDING THE OFFICIAL HICKORY ZONING ATLAS TO REZONE +/- .54 ACRES OF PROPERTY LOCATED AT 2010 STARTOWN ROAD BETWEEN SHORT ROAD AND ROBINWOOD ROAD, FROM LOW DENSITY RESIDENTIAL (R-1) to REGIONAL COMMERCIAL (C-3).

WHEREAS, Article 2, Section 2.2 of the Hickory Land Development Code provides for amendments to the Official Zoning Atlas; and

WHEREAS, the property owner has been petitioned to rezone +/- .54 acres of property located at 2010 Startown Road between Short Road and Robinwood Road, more particularly described on Exhibit A attached hereto, to allow Regional Commercial (C-3) districts; and

WHEREAS, the Hickory Regional Planning Commission considered the proposed rezoning during a public hearing on April 24,2024, and forwarded a recommendation of approval to the City Council; and

WHEREAS, Article 2 of the Hickory Land Development Code requires findings the proposed rezoning is in response to changing conditions and is reasonably necessary to promote the public health, safety, and general welfare; and

WHEREAS, the City Council has found Petition 24-08 to be in conformance with the Hickory by Choice 2030 Comprehensive Plan and Zoning Ordinance,

NOW, THEREFORE, BE IT ORDAINED by the City Council of Hickory, North Carolina, THAT THE REZONING OF PROPERTY DESCRIBED IN EXHIBIT A is approved.

SECTION 1. Findings of fact.

- The subject property is located at 2010 Startown Road between Short Road and Robinwood Road and identified as PIN 3721-09-05-4815.
- The rezoning request is intended to further implement the findings and recommendations of the Hickory by Choice 2030 Comprehensive Plan.
- The rezoning of the property is consistent with the Hickory by Choice 2030 Comprehensive Plan.

SECTION 2. All ordinances or provisions of the Hickory City Code which are not in conformance with the provisions of the Amendment occurring herein are repealed as of the effective date of this Ordinance.

SECTION 3. Statement of Consistency and Reasonableness

Upon considering the matter, the Hickory City Council found:

1. The area in question converges at three future land use categories listed in the Hickory by Choice 2030 Comprehensive Plan. These uses are Public/Institutional, Neighborhood Mixed Use, and Regional Commercial.

The C-3 zoning district implements the “Regional Commercial” policies of the Hickory by Choice 2030 Comprehensive Plan. The C-3 district is intended to provide a full range of retail and service business that serves both local and regional markets. The C-3 district permits a wide variety of uses including professional offices and personal services, retail sales and service, amusement, and institutional facilities.

Given these factors, the rezoning of the property to Regional Commercial (C-3) should be considered consistent with the findings and recommendations of the Hickory by Choice (2030) Comprehensive Plan.

Section 1.7 of the Hickory Land Development Code contains its Stated Purpose and Intent. This section contains five (5) specific items which the Land Development Code is intended to uphold. These are as follows:

- Implement the Hickory by Choice 2030 Comprehensive Plan.

The area converges at three future land use categories listed in the Hickory by Choice 2030 Comprehensive Plan. These uses are Public/Institutional, Neighborhood Mixed Use, and Regional Commercial. The Regional Commercial (C-3) district is intended to provide a full range of retail and service business that serves both local and regional markets. The C-3 district permits a wide variety of uses including professional offices and personal services, retail sales and service, amusement, and institutional facilities.

- Preserve and protect land, air, water and environmental resources and property values.

All improvements that are to take place on the properties will be required to follow all applicable development regulations.

- Promote land use patterns that ensure efficiency in service provision as well as wise use of fiscal resources and governmental expenditures.

The subject property has access to a state-maintained roadway (Startown Road / SR 1005), as well as water infrastructure. The property does not have access to city sewer infrastructure. The land-use pattern of the area, with the inclusion of the subject property, represents an efficient use of public services, and the wise use of public funding.

- Regulate the type and intensity of development; and

The current land use pattern of the larger area consists largely of commercial and institutional uses. This development pattern will continue under Regional Commercial (C-3) as offices are permitted under this zoning classification. The future use of the property is best suited to further the existing development pattern of the area. Public resources to provide critical public services are in place to service the area. These include public water utilities and transportation infrastructure.

- Ensure protection from fire, flood, and other dangers.

Any future development occurring on the subject property shall adhere to all state and local building, fire, and flood zone related development regulations. Such regulations will ensure proper protections are provided to ensure surrounding residents, and property are properly protected as prescribed by law.

- The suitability of the subject property for the uses permitted under the existing and proposed zoning classification:

The current land use pattern of the larger area consists of commercial, institutional, and multi-family residential. uses along Startown Road. The rezoning of the property to C-3 would continue this development pattern and will be similar to existing City zoning already in place, within the larger area.

- The extent to which zoning will detrimentally affect properties within the general vicinity of the subject property:

The requested Regional Commercial (C-3) zoning is similar to the existing zoning. The permissible uses of C-3 zoning will aid in enhancing the existing uses of the neighborhood.

- The extent to which the proposed amendment (zoning map) will cause public services including roadways, storm water management, water and sewer, fire, and police protection to fall below acceptable levels.

Public resources to provide critical public services are in place to service the area. These include public water utilities and transportation infrastructure, as well as police and fire protection. Septic is currently located on the property and will need to be approved by Catawba County Environmental Health for the use.

- The proposed amendment (zoning map) will protect the public health, safety, and general welfare.

Any future development that occurs on the subject property as the result of the zoning map amendment, will be required to be adhere to regulations related to zoning, building and fire code, traffic, stormwater, etc., which will work in conjunction with one another to ensure the health and safety of residents and visitors are properly protected.

Based upon these findings, the Hickory City Council has found Rezoning Petition 24-08 to be reasonable, and consistent with the findings and recommendations of the Hickory by Choice 2030 Comprehensive Plan.

SECTION 4. This Ordinance shall become effective upon adoption.

B. Departmental Reports:

1. Appointments to Boards and Commissions

<u>COMMUNITY APPEARANCE COMMISSION</u>	
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)	
At-Large (Outside City but within HRP) (Council Appoints)	VACANT
<u>COMMUNITY RELATIONS COUNCIL</u>	
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)	
Caucasian (Council Appoints) Cliff Moone Resigned	VACANT
Other Minority (Council Appoints)	VACANT
Other Minority (Council Appoints)	VACANT
<u>HICKORY REGIONAL PLANNING COMMISSION</u>	
(Term Expiring 6-30; 3-Year Terms with Unlimited Appointments) (Appointed by City Council)	
Burke County Representative (Mayor Appoints with Recommendation from Burke County)	VACANT
<u>HISTORIC PRESERVATION COMMISSION</u>	
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)	
Historic Properties Owner (Council Appoints)	VACANT
Building Trades Profession (Council Appoints)	VACANT
<u>PUBLIC ART COMMISSION</u>	
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)	
Ward 1 (Wood Appoints)	VACANT
<u>RECYCLING ADVISORY BOARD</u>	
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)	
Ward 4 (Freeman Appoints)	VACANT
Ward 6 (Patton Appoints)	VACANT
At-Large (Council Appoints)	VACANT
At-Large (Council Appoints)	VACANT
<u>TOURISM DEVELOPMENT AUTHORITY</u>	
Hickory Representative Owner/Operator	VACANT

TDA Board Recommends the Nomination of Brad Lail as a Hickory Representative Owner/Operator.

Mayor Guess nominated Brad Lail as a Hickory Representative Owner/Operator on the Tourism Development Authority.

Mayor Guess moved, seconded by Alderman Seaver approval of Brad Lail on the TDA Board as a Hickory Representative. The motion carried unanimously.

C. Presentation of Petitions and Requests

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

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

Mayor Guess advised that they recognized others at the beginning of the meeting, some different folks, but they did not recognize some very important folks, also, this was Municipal Clerk's Week, and it just so happens that the municipal clerks were the ones that do the proclamations. He did not burden them with a proclamation for Municipal Clerk's Week. He recognized their longtime Clerk, Ms. Debbie Miller, and the newest Deputy Clerk, Ms. Iris Childers, for the great work that they do. A round of applause was given.

City Manager Warren Wood commented just so they knew how good a Clerk Debbie was, she said, let's just not put the Clerk's week thing on there because we have got enough stuff. He joked that she must have left off the rebuttal and surrebuttal off the notes that she gave the Mayor.

Mayor Guess responded, no, she did not. In her defense, that was what he had them for, to remind him of stuff like that, he could not do everything. He mentioned some folks in the community known as the Hickory Citizens Litter Project. They had scheduled this Saturday for a project called "Hickory Cleans Up". That was going to be eight sites, he believed, on Saturday, starting at 8:30 a.m. and going to noon. They were going to dispatch folks to eight different sites to pick up litter. If you have not already joined that group, he would encourage them to do so. They appreciated the Hickory Citizens Litter Group. This was not their first time, and they do a lot to help clean up the community, so he wanted to mention that as well.

Alderman Seaver asked if they were called Litter Quitters.

Alderwoman Patton encouraged the newspaper, she knew they had an article coming out about it, but she wanted to encourage everyone to attend the inter-basin transfer meeting tomorrow night at Ridgeview and let Charlotte recognize that this was something that would not benefit our community or our surrounding communities, and it would only benefit them for their growth.

City Manager Warren Wood advised it was at 5:30, and to come early, at the Ridgeview Library in the Ridgeview Community room. The Z. Ann Hoyle Community room.

Alderwoman Patton encouraged everyone to attend.

Alderman Wood advised he had sent a note to City Manager Warren Wood last week telling him what a great job that the fleet maintenance crew did on the vehicles for the City of Hickory. He was in another local municipality a couple weeks ago, and it really hit home because one of their garbage trucks pulled up beside him, and it was so dirty that you could barely read the logo of the town on it. He was embarrassed for them. It really made him realize what a great job they did and what a positive reflection it was on Hickory, the job that they do. He wanted to recognize them publicly for the great work that they do.

Mayor Guess commented that they had the cleanest garbage trucks of any municipality that he had seen.

Alderman Wood interjected vehicles across the board. He saw multiple vehicles every week.

City Manager Warren Wood advised after 30 plus years of work with the City of Hickory, Finance Officer Melissa Miller was going to be retiring. He thanked Melissa for all her work all those years. She was just one more that started with him in the early 90s, or that he started with, they were not going to be with them. He thanked her for all that she had done. A round of applause was given. However, he pointed out the person sitting to her left was Kari Dunlap, previously with Martin Starnes, who came and did their audit presentations. They were very fortunate to have landed Kari from Martin Starnes. Of course, having done their audit for all those years, she knew everything. She actually started Monday, and came back today, which was a good sign. He welcomed Kari. She and her family lived in Hickory, and they were thrilled to have Kari Dunlap on board.

Mayor Guess and Council members welcomed Ms. Kari Dunlap.

Alderman Wood commented that the audit would go smoothly this year without a hitch, right?

City Manager Warren Wood advised it would be those Martin Starnes people if it does not.

Mayor Guess commented that under Melissa's 30 years, it went pretty smoothly as well. They got recognized many times for the work that her crew did, and it was all for her leadership, and they greatly appreciated her, and were going to miss her tremendously here at City Hall.

City Manager Warren Wood mentioned as a side note related to the audit, they would probably have one more kind of rough year because they were going to transition to the new software and moving forward for the next year's audit should be a lot smoother.

Mayor Guess commented no pressure here.

XIV. There being no further business, the meeting adjourned at 7:30 p.m.

Mayor

City Clerk

COUNCIL AGENDA MEMOS

To: City Manager’s Office

From: Breanna Ikard, Management Analyst

Contact Person: Yaidee Fox, Assistant City Manager

Date: 5/9/24

Re: Active Transportation Infrastructure Investment Program Planning Grant Application

REQUEST

Staff requests Council approval to apply for Active Transportation Infrastructure Investment Program Planning Grant and matching funds of \$3,575.

BACKGROUND

The Federal Highway Administration has developed the Active Transportation Infrastructure Investment Program Planning & Design Grant program. Trails and greenways have a significant impact on the economic viability of the community through increased levels of tourism as well as the ability to attract and retain businesses such as restaurants, outfitters, lodging, and entertainment. Hickory is home to several parks with trails, walking tracks and greenways including Riverwalk, City Walk, Aviation Walk, Historic Ridgeview Walk, and OLLE Art Walk. This grant application would study the feasibility of connecting Hickory trail system to Caldwell County’s trail system.

ANALYSIS

The parks, trails, and greenways in our community provide a common ground for people of all ages and abilities to socialize and gain access to our natural, cultural, and historic resources. Staff would like to continue building on existing trails to increase connectivity throughout Hickory and other municipalities. This grant will fund a study on the feasibility of creating a trail along the Caldwell Railroad that would provide connections to other municipalities in Caldwell County and to the City of Hickory’s trail system and agrees to provide matching funds in the amount of \$3,575.

RECOMMENDATION

Staff recommend approval of the Active Transportation Infrastructure Investment Program Planning Grant application.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

010-4200-514.45-01

Reviewed by:

Yaidee Fox
Initiating Department Head

5/9/24
Date

[Signature]
Deputy City Attorney, R. Dula

Date

[Signature]
Asst. City Manager, Rodney Miller

5/13/24
Date

[Signature]
Asst. City Manager, R. Beasley

5/16/24
Date

[Signature]
Finance Officer, Melissa Miller

5/13/24
Date

[Signature]
Deputy Finance Officer,
Cameron McHargue

5-14-24
Date

[Signature]
Asst. City Manager Yaidee Fox

5/15/24
Date

Recommended for approval and placement on May 21, 2024 Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

[Signature]
City Manager, W. Wood

5.15.24
Date

CITY OF HICKORY

RESOLUTION 24-_____

A RESOLUTION OF SUPPORT FOR ACTIVE TRANSPORTATION INFRASTRUCTURE INVESTMENT PROGRAM PLANNING GRANT APPLICATION AND MATCHING FUNDS

WHEREAS the Federal Highway Administration has developed the Active Transportation Infrastructure Investment Program Planning & Design Grant program; and

WHEREAS trails and greenways have a significant impact on the economic viability of the community through increased levels of tourism as well as the ability to attract and retain businesses such as restaurants, outfitters, lodging, and entertainment; and

WHEREAS trails and greenways offer quality-of-life benefits to all by providing accessible alternative transportation to community destinations and places of work, as sites for social and cultural activities, as outdoor workshops for education, as tools for economic revitalization, and as resources for healthy recreation; and

WHEREAS, trails and greenways provide key connections to neighborhoods, parks, and schools, bringing people together to exercise, learn, play, and be outdoors; and

WHEREAS Hickory is home to several parks with trails, walking tracks and greenways including Riverwalk, City Walk, Aviation Walk, Historic Ridgeview Walk, and OLLE Art Walk; and

WHEREAS the parks, greenways, trails and natural areas in our community provide a common ground for people of all ages and abilities to socialize and gain access our natural, cultural, and historic resources; and

NOW, THEREFORE, BE IT RESOLVED that the City of Hickory supports a Planning Grant application to study the feasibility of creating a trail along the Caldwell Railroad that would provide connections to other municipalities in Caldwell County and to the City of Hickory’s trail system and agrees to provide matching funds in the amount of \$3,575.

Adopted this ____ day of _____, 2024.

Mayor

ATTEST: _____
City Clerk

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Breanna Ikard, Management Analyst

Contact Person: Breanna Ikard, Management Analyst

Date: 5/9/24

Re: Resolution Adopting the Administration of Minimal and Overpayment of Ad Valorem Taxes with Catawba County

REQUEST

Staff requests Council approval of the Resolution for the administration of minimal and overpayment of Ad Valorem Taxes with Catawba County.

BACKGROUND

In 1981 Municipality requested County to take complete responsibility for billing and collection of all Municipality ad valorem property taxes, both current and delinquent, and subsequently motor vehicle taxes, such actions permissible by interlocal cooperation and joint exercise of powers pursuant to Chapters 105, 153A and 160A of the North Carolina General Statutes ("NCGS"); and over the years, a number of Agreements have been executed related to these tax collection services; and it is in the best interest of both parties to execute an updated Agreement.

ANALYSIS

The City of Hickory has reviewed the agreement to ensure it was constructed in accordance with the laws of the State of North Carolina. The agreement replaces and supersedes any prior Agreements between Catawba County and the City of Hickory related to tax collection.

This agreement is made to be entered into July 1st, 2024, by and between Catawba County and the City of Hickory and shall remain in effect until amended or repealed.

RECOMMENDATION

Staff recommends Council approval of the Resolution for the Administration of Minimal and Overpayment of Ad Valorem Taxes with Catawba County.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Reviewed by:

Yaidee Fox 5/9/24
Initiating Department Head Date

Rodney Miller 5/13/24
Asst. City Manager Rodney Miller Date

Melissa Miller 5/13/24
Finance Officer, Melissa Miller Date

Yaidee Fox 5/15/24
Asst. City Manager Yaidee Fox Date

A. Dula 5-13-24
Deputy City Attorney, A. Dula Date

R. Beasley 5/16/24
Asst. City Manager, R. Beasley Date

Cameron McHargue 5-14-24
Deputy Finance Officer, Cameron McHargue Date

Recommended for approval and placement on May 21, 2024 Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

W. Wood
City Manager, W. Wood

5.15.24
Date

RESOLUTION NO. 2024-_____

RESOLUTION FOR THE ADMINISTRATION OF MINIMAL AND OVERPAYMENT OF
AD VALOREM TAXES

WHEREAS, the administrative costs associated with collecting and refunding minimal ad valorem taxes exceeds the value of the taxes owed or refunded; and

WHEREAS, NCGS § 105-321(f) authorizes a local government to adopt a resolution directing the Tax Assessor and Tax Collector not to collect minimal taxes, which are defined as the combined taxes and fees due on a tax receipt that do not exceed \$5.00, charged on the tax records; and

WHEREAS, NCGS § 105-321(f) further provides the Tax Administrator shall not bill for, or otherwise collect, minimal taxes but shall keep a record of all minimal taxes by receipt number and amount and make a report of the amount of these taxes to the governing body at the time of settlement; and

WHEREAS, NCGS § 105-321(g) authorizes a local government to adopt a resolution directing its Tax Administrator not to mail a refund of an overpayment if the refund is less than \$15.00; and

WHEREAS, NCGS § 105-321(g) further provides that upon adoption of a resolution authorizing the Tax Administrator not to make a refund of an overpayment if the refund is less than \$15.00, the Tax Collector shall make a report of the amount of these refunds to the Hickory City Council; implement a system by which payment of the refund may be made to a taxpayer who comes into the office of the Tax Collector seeking the refund; and as to refunds that are not requested in person by the end of the fiscal year, implement a system to apply the minimal refund as a credit against the tax liability of the taxpayer for ad valorem taxes due for the next succeeding year; and

WHEREAS, NCGS §§ 105-321 (f) and (g) do not apply to taxes on registered motor vehicles; and

WHEREAS, NCGS § 105-357(c) permits the Tax Collector to treat small underpayments of taxes as fully paid.

NOW, THEREFORE, BE IT RESOLVED as follows:

- (1) Pursuant to NCGS § 105-321(f), the Hickory City Council directs the Catawba County Tax Administrator and Tax Collector not to collect minimal taxes, which are the combined taxes and fees due on a tax receipt that do not exceed \$5.00, charged on the tax records. The Tax Administrator must implement the processes required by NCGS § 105-321(f).
- (2) Pursuant to NCGS § 105-321(g), the Hickory City Council authorizes the Catawba County Tax Administrator not to mail a refund of any overpayment if the refund is less than \$15.00. The Tax Administrator must implement processes required by NCGS § 105-321(g).
- (3) Pursuant to NCGS § 105-357(c) the Hickory City Council permits the Catawba County Tax Collector to treat small underpayments of taxes as fully paid. A "small underpayment" is a payment made, other than in person, that is no more than one dollar (\$1.00) less than the taxes due on a tax receipt.

- (4) This Resolution shall remain in effect until repealed or amended by resolution of the City of Hickory's City Council

BE IT FURTHER RESOLVED that this Resolution shall be in effect with respect to Fiscal Year 2024-2025 and shall remain in effect until amended or repealed by resolution of the City of Hickory's City Council.

Adopted this the ____ day of _____, 2024.

Hank Guess, Mayor
Hickory City Council

Attest:

Debbie Miller, City Clerk

**STATE OF NORTH CAROLINA
COUNTY OF CATAWBA**

TAX COLLECTION AGREEMENT

THIS AGREEMENT is made and entered into this 1st day of July, 2024 by and between **CATAWBA COUNTY**, a body politic, corporate in nature, or governmental agency existing by virtue of the laws of the State of North Carolina, having a mailing address of Post Office Box 389, Newton, North Carolina 28658, hereinafter referred to as “County” and the **CITY OF HICKORY**, a body politic, corporate in nature, or governmental agency existing by virtue of the laws of the State of North Carolina, having a mailing address of P.O. Box 398, Hickory, North Carolina 28603, hereinafter referred to as “Municipality”. County and Municipality are referred to herein each as a “Party” and collectively as the “Parties”.

WITNESSETH:

WHEREAS, in 1981 Municipality requested County to take complete responsibility for billing and collection of all Municipality ad valorem property taxes, both current and delinquent, and subsequently motor vehicle taxes, such actions permissible by interlocal cooperation and joint exercise of powers pursuant to Chapters 105, 153A and 160A of the North Carolina General Statutes (“NCGS”); and

WHEREAS, over the years, a number of Agreements have been executed related to these tax collection services; and

WHEREAS, it is in the best interest of both parties to execute an updated Agreement.

NOW THEREFORE, the parties agree as follows:

1. This Agreement becomes effective upon execution by all appropriate persons, remains in effect until terminated in accordance with the terms of this Agreement or until a new Agreement is entered into, and replaces and supersedes any prior Agreements between the parties related to tax collection.
2. Municipality hereby appoints the Catawba County Tax Collector (“Tax Collector”) to be Municipality’s Tax Collector. County shall provide Municipality with a current copy of the Tax Collector’s Oath of Office. Municipality will be responsible for obtaining a bond as required by NCGS § 105-349(c).
3. County shall have all of the authority as set forth in the Machinery Act (NCGS § 105-271 through 395.1, as amended) and other statutory provisions in the process of listing, assessing, billing and collecting Municipality’s ad valorem taxes, penalties, interest and fees. County shall have complete responsibility for and control of the billing and collection of all gross receipt taxes for Municipality and all motor vehicle taxes with renewal dates prior to September 1, 2013, both current and delinquent. County, through its Tax Collector, shall exercise all general duties on behalf of Municipality under Chapter 105 of the North Carolina General Statutes. This authority includes all remedies, including foreclosure, allowed under

the law. This authority shall also include the billing and collection of Municipality taxes for Municipality property that is in another County.

4. Municipality agrees to pay County a specific amount for each numbered tax bill. Currently the amount is \$4.00 per bill ("Fee Per Bill"). County will review the Fee Per Bill every two (2) years and will not increase the Fee Per Bill more than \$.25 in any two-year period. County agrees to notify Municipality of any increases by December 1 prior to the July 1 effective date.
5. Municipality agrees to adopt County's resolutions, when applicable, authorizing the following:
 - a) No obligation to collect minimal taxes, which amount is up to \$5.00 (NCGS § 105-321(f)). This section does not apply to taxes on registered motor vehicles.
 - b) Apply overpayments of up to \$15.00 to the following year's taxes (NCGS § 105-321(g)). This section does not apply to taxes on registered motor vehicles or situations where the overpayment is made by someone who no longer owns property in the County to which the overpayment may be applied.
 - c) Permit Tax Collector to treat small underpayments of taxes as fully paid. A "small underpayment" is a payment made, other than in person, that is no more than one dollar (\$1.00) less than the taxes due on a tax receipt. (NCGS § 105-357(c)).
6. For motor vehicle taxes with renewal dates prior to September 1, 2013, Municipality agrees to pay County one and one-half percent (1½%) of the amount of motor vehicle taxes and gross receipts taxes collected.
7. For motor vehicle taxes with renewal dates on or after September 1, 2013, North Carolina Department of Transportation will distribute County-wide net motor vehicle tax collections (minus County-wide costs associated with State billing, County-wide costs associated with debit and credit card transaction fees, and refunds) to the County on a monthly basis.

With respect to motor vehicle bills, County shall allocate the lump sum costs of billing, credit card, and debit card transaction fees (already removed from total distribution amount) to Municipality based upon the proportional share of Municipality's contribution to the total tax bill. County agrees to distribute the remaining net revenue to Municipality in a timely manner.
8. County shall send an annual statement for billing and collection services for real and personal property after December 1 each year. Municipality agrees to remit payment to County within 30 days of receipt.
9. This Agreement may be modified by mutual, written agreement of the parties, except for the provision related to the Fee Per Bill in Paragraph 4. Any termination of this Agreement must be made in writing and delivered no later than December 31st of any year prior to the June

30th effective date of the termination. This six-month notice of termination must be sent via first class mail or facsimile to the following:

For County:

Brian Myers
Catawba County Tax Administrator
Post Office Box 368
Newton, North Carolina 28658
bmyers@catawbacountync.gov

For Municipality:

Warren Wood, City Manager
City of Hickory
Post Office Box 398
Hickory, North Carolina 28603
wwood@hickorync.gov

10. When real property is sold at a foreclosure sale for the collection of ad valorem taxes, County agrees to use reasonable efforts to assure that the opening bid is sufficient to pay both the Municipal and County ad valorem property taxes including taxes, penalties, interest and such costs as accrued prior to the institution of the foreclosure action. In the event the property is sold for an amount not sufficient to satisfy both the Municipal and County taxes, including penalties, interest and costs, the money shall be distributed as follows:

County shall first be reimbursed for actual expenses and disbursements made by it in connection with the foreclosure action, including cost of advertising, legal fees and other necessary legal expenses, and any balance remaining after the payment of these expenses shall be distributed to County and Municipality in proportion to their respective interest.

In the event that County shall become the purchaser at a foreclosure sale, the property shall be held and disposed of pursuant to NCGS §105-376(b).

11. Municipality agrees that County Tax Collector shall be authorized to use all lawful means to collect the ad valorem property taxes, and motor vehicle taxes with renewal dates prior to September 1, 2013, on behalf of Municipality. Municipality agrees to extend full cooperation from its officials, agents and employees in the collection of these taxes and further agrees to take no action on behalf of any Municipal taxpayer that is influenced by personal or political friendships or obligations.
12. County agrees that in collecting ad valorem property taxes, and motor vehicle taxes with renewal dates prior to September 1, 2013, for Municipality, that pursuant to NCGS §105-354, these taxes shall be treated in the same manner as taxes of County. The Tax Collector agrees to follow all procedures set forth in Article 26, Collection and Foreclosure of Taxes, for the delivery of receipts, releases, and prepayment. County agrees to make daily deposits in Municipality's account at a local bank designated by County. Upon request, County will

provide to Municipality regular transactional listings as well as summaries and monthly status reports showing all outstanding accounts.

13. In the event a taxpayer asserts a taxpayer's remedies pursuant to NCGS § 105-381, including a demand for a release or a request for a refund, Municipality authorizes County to take action on the tax claims pursuant to NCGS §105-381(b) and notify Municipality of the final determination within thirty (30) days of the action taken. County agrees to handle all refunds, releases and compromises under the provisions of Article 27, Refund and Remedies, Chapter 105, of the North Carolina General Statutes, and agrees not to release, refund or compromise all or any taxes except as provided in Article 27.
14. The parties agree that the collection shall be subject to an audit by a certified public accountant to be selected by County.
15. Municipality authorizes County to employ any entity that County has determined meets appropriate qualifications to audit and discover unlisted or under reported business personal property taxes. Municipality agrees to reimburse County, on a prorated basis for actual expenses incurred by employment of such outside entity.
16. County agrees to print and mail delinquent notices for the preceding tax year each year on or before July 1st.
17. The parties agree advertisements of tax liens on real property for failure to pay taxes shall be done pursuant to state law. The time of the advertisement shall be selected by County.
18. The parties agree that all fiscal month closings shall be on the last day of each month, with the exception of when the last day falls on a weekend. When the last day falls on a weekend, the fiscal month shall close on the preceding Friday. If the last day falls on a holiday, the fiscal month shall close on the preceding day prior to the holiday except that June 30th shall be the closing for both the fiscal year and the fiscal month, and December 31st which shall be the close of the fiscal month and the calendar year.
19. The parties agree that there shall be one tax bill for municipal tax bills and county tax bills. The bill shall indicate a separate total for the County and a separate total for the Municipality, and in addition, shall state a grand total of the county and the municipal ad valorem taxes.
20. In the event a taxpayer makes a partial payment, the County shall divide the payment equally between the county taxes due and the municipal taxes due, except when the taxpayer directs that the money be applied on another basis.
21. Municipality agrees to encourage municipal taxpayers to make payment of both municipal and county property taxes, as well as motor vehicle taxes with renewal dates prior to September 1, 2013, to the Catawba County Tax Collector.
22. The parties agree that there shall be only one sale of tax liens on real property for failure to pay taxes pursuant to NCGS §105-369. The time of the sale shall be selected by County.

23. Municipality agrees comply with North Carolina General Statutes and to take such action as may be required by law to give the Catawba County Tax Collector and related personnel the authority to administer the collection of municipal ad valorem, personal property and motor vehicle taxes with renewal dates prior to September 1, 2013, and to carry out the provisions of this Agreement.
24. The undersigned represent and warrant that they are authorized to bind their principals to the terms of this Agreement.
25. This Agreement shall be governed and construed in accordance with the laws of the State of North Carolina. Venue for any adversarial proceeding shall be set in Catawba County.

[Signature pages attached]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their respective names on the date and year above written.

CATAWBA COUNTY

By: _____
Mary Furtado, County Manager

Attest:

Dale R. Stiles, Clerk

THIS INSTRUMENT has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act as amended.

Date: _____

Mary Morrison, Finance Director

APPROVED AS TO FORM

Date: _____

Jodi Stewart, County Attorney

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their respective names on the date and year above written.

CITY OF HICKORY

By: _____
Warren Wood, City Manager

Attest:

Debbie D. Miller, City Clerk

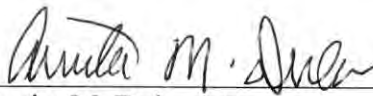
THIS INSTRUMENT has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act as amended.

Date: _____

Kari Dunlap, Finance Officer

APPROVED AS TO FORM

Date: 5-13-24



Arnita M. Dula, Attorney

COUNCIL AGENDA MEMOS

To: City Manager's Office
From: Chief of Police D. Reed Baer III
Contact Person: Lisa Drum
Date: 04/27/2024
Re: Application for 2024 Bulletproof Vest Grant

REQUEST:

Hickory Police Department requests permission to apply for a grant to assist in funding the purchase of bulletproof vests for police officers. The City of Hickory will receive up to 50% reimbursement for each vest purchased.

BACKGROUND: Since 1999, the Bulletproof Vest Grant program has provided an opportunity for law enforcement agencies to apply for a grant to receive up to 50% funding on the purchase of ballistic vests. In order to be eligible, the agency must have a policy in effect making it mandatory for uniformed officers to wear the vests while on duty. Hickory Police Department has the mandatory wear policy in effect and has been a recipient of this grant for numerous years.

ANALYSIS:

Monies are placed in the police department budget uniform line item annually to purchase vests for police officers. Life expectancy of each vest is approximately five (5) years.

RECOMMENDATION:

The Police Department would recommend the submission of this grant to receive up to 50% funding to purchase bulletproof vests for police officers. Notification to apply was sent by email April 24, 2024. The due date to apply by is June 10, 2024.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Reviewed by:

D. Reed Baer III
Initiating Department Head

04/26/2024
Date

Auntie M. Dula
Deputy City Attorney, A. Dula

5-13-24
Date

Rodney Miller
Asst. City Manager Rodney Miller

5/13/24
Date

Rodney Miller
Asst. City Manager, R. Beasley

5/16/24
Date

Melissa Miller
Finance Officer, Melissa Miller

5/13/24
Date

Cameron McHargue
Deputy Finance Officer,
Cameron McHargue

5-14-24
Date

Yaidee Fox
Asst City Manager Yaidee Fox

5/15/24
Date

Recommended for approval and placement on _____ Council agenda (as
Consent, Public Hearing, Informational, Department Report, etc).

W. Wood
City Manager, W. Wood

5.15.24
Date

Lisa Drum

From: Bureau of Justice Assistance <BJA@public.govdelivery.com>
Sent: Wednesday, April 24, 2024 11:47 AM
To: Lisa Drum
Subject: BJA Patrick Leahy Bulletproof Vest Partnership (BVP)

CAUTION: This email originated from outside of the organization.

[View as a webpage / Share](#)



Dear BVP Participant,

The [Bureau of Justice Assistance \(BJA\)](#) is pleased to announce that the Fiscal Year (FY) 2024 [Patrick Leahy Bulletproof Vest Partnership \(BVP\) Program](#) application period opens today, Wednesday **April 24, 2024**. All applications must be submitted online at [Patrick Leahy Bulletproof Vest Partnership: Login \(usdoj.gov\)](#) by **6:00 pm Eastern Time on Monday, June 10, 2024**.

The purpose of the BVP Program is to reimburse states, units of local government, and federally recognized Indian tribes, i.e., jurisdictions, for up to 50 percent of the cost of body armor vests purchased for law enforcement officers. Please see the new [BVP Fact Sheet](#) for detailed information on the BVP Program. In addition, updated BVP Frequently Asked Questions (FAQs) can be found at <https://www.ojp.gov/program/bulletproof-vest-partnership/faqs>, and detailed guides and training materials for the BVP application process and the payment request process can be found at [BVP Program Resources](#).

FY 2024 BVP Program and Application Requirement Highlights

Detailed information can be found in the [BVP FAQs](#).

- **Eligibility:** States, units of local government, and federally recognized Indian tribes, i.e., jurisdictions, that employ eligible law enforcement officers are eligible to apply for BVP funds. Multiple law enforcement agencies (LEAs) within the same jurisdiction must submit their own application information and vest needs to the jurisdiction. The jurisdiction will then submit the LEA applications in one submission to BJA. This includes colleges and universities. All public colleges and universities are considered LEAs under their respective jurisdiction.
- **System for Award Management (SAM) Registration Requirement:** An active registration in SAM is required to receive funds. Jurisdictions not registered with

SAM are strongly encouraged to access the SAM website at [SAM.gov](https://sam.gov) as soon as possible in order to obtain information on and complete the online SAM registration process. Applicants should ensure that current bank routing and bank account information is included in the [SAM.gov](https://sam.gov) profile, as the banking information in the SAM at the time of application will be used to transfer reimbursement funds to your jurisdiction. For more information about renewing and updating your existing SAM registration, or registering in SAM as a new entity, please access the SAM support materials here [SAM Help](#). The SAM Helpdesk can be reached at (866) 606-8220.

- **Body Armor Vest Requirements:** Body armor vests purchased with BVP funds must have been tested through the National Institute of Justice (NIJ) [Compliance Testing Program \(CTP\)](#) and found to comply with the most current NIJ body armor standards, appear on the [NIJ Compliant Products List](#) as of the date the body armor was ordered, be uniquely fitted, and be made in the United States. NIJ has started adding vests to the compliant products list for the new [0101.07 Standard](#). FY 2024 BVP funds may be used towards the purchase of eligible vests listed on the 101.06 Standard and the 0101.06 Standard. In addition, applicants must have a written mandatory wear policy for uniformed patrol officers in place at the time of application. Detailed information on the mandatory wear requirement can be found in the [Mandatory Wear FAQs](#).
- **DIAMD Registration Requirement:** The first step to obtain access to the BVP system is onboarding to OJP's Digital Identity and Access Management Directory (DIAMD), which replaced the former BVP access control system in January 2023. DIAMD is a modern single-sign-on gateway service with multi-factor authentication. If you are an OJP grant program applicant or recipient, you may already have an account registration with DIAMD, and your BVP user account will be added to the OJP systems you access through DIAMD. Please see the BVP login page for details: <https://vests.bja.ojp.gov/bvp/login/externalAccess.jsp>. Detailed instructions can be found in the [User Account Activation Guide](#) and in the [BVP FAQs](#).
- **Items to Review:** To ensure that program participants are submitting applications that accurately reflect their vest needs for the next two years, please review the program guidance below. Prior to submitting an application for FY 2024 BVP funds:
 - Verify that the number of vests indicated on the application does not exceed actual agency needs. Review all currently deployed vests for those that will need to be replaced during the next two years, according to the replacement cycle indicated on your BVP system profile. Applications for funds should reflect the number of vests your agency needs to replace within the next two years, and vests for officers your agency anticipates hiring in the next two years. (New hires can be anticipated based on the average number of officers hired over the most recent three years.)
 - Ensure that the application accurately reflects the current market cost for the vests identified on the application.
 - Review previous year(s) BVP funding to identify any unspent funds that might currently be available for BVP needs.

Your careful attention to actual vest needs will help ensure that all eligible jurisdictions submitting requests will receive the maximum award allowable based on the appropriation and distribution guidelines.

For questions regarding this email or for assistance with the online application process, please do not hesitate to call the BVP Help Desk at 1-877-758-3787, or email vests@usdoj.gov.

In addition, please visit BJA's Officer Robert Wilson III Preventing Violence Against Law Enforcement Officers and Ensuring Officer Resilience and Survivability (VALOR) Initiative website to obtain other information regarding officer safety: [VALOR Officer Safety and Wellness Initiative | Overview | Bureau of Justice Assistance \(ojp.gov\)](#). The VALOR Initiative is a comprehensive set of programs that deliver no-cost officer safety, wellness, resilience training, resources, and technical assistance to law enforcement throughout the country. VALOR brings together the latest research and practices to address current and emerging officer safety and wellness issues/threats. Please see the BJA [VALOR Initiative](#) booklet for a detailed synopsis of this important initiative.

Sincerely,

BVP Program Team
Bureau of Justice Assistance



PUBLIC SAFETY OFFICERS' BENEFITS (PSOB) PROGRAM

Enacted in 1976, the PSOB Program provides death, disability, and education benefits to those eligible for the program. For details regarding these federal benefits for law enforcement officers, firefighters, and other first responders who have died or become catastrophically injured in the line of duty, call the PSOB Office at 888-744-6513 or visit us online at [online](#).

BJA offers many resources, training and technical assistance, and policy development services to support local, state, and tribal governments in achieving safer communities.

If you haven't already, [subscribe to the News From BJA](#) subscription list to stay up to date on the latest information and news from BJA. If you are already a subscriber, [update your subscription preferences](#) to receive information that is most relevant to you.



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Bureau of Justice Assistance
U.S. Department of Justice

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2

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Office of Business Development, Planning Division

Contact Person: Mike Kirby, Senior Planner

Date: April 18, 2024

Re: Voluntary contiguous annexation of property owned by the City of Hickory

REQUEST

Call for public hearing to be held June 4, 2024 for the consideration of the voluntary contiguous annexation of 12.45 acres of property located at 2301 21st Ave NE. This property is identified as PIN 3713-08-97-7949.

BACKGROUND

The property is currently vacant and located within the planning jurisdiction of the City of Hickory and zoned Medium Density Residential (R-3). Properties zoned R-3 can be utilized primarily for residential purposes, at a maximum density of 8 single-family dwelling units and 10 multi-family dwelling units per acre.

ANALYSIS

If annexed, the property owners have requested the property be zoned Office and Institution (OI), with their further intentions being the construction of city park.

Surrounding properties are zoned R-3 Residential and are occupied by detached single-family residences.

The current tax value of the property is \$106,600. If annexed, the vacant property would generate \$485.03 in additional tax revenues.

Upon analysis, staff has determined the petition meets the statutory requirements for voluntary contiguous annexation, and adequate public services are available.

RECOMMENDATION

Staff finds the petition to be in conformity with applicable statutes and recommends approval of the petition.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Reviewed by:

Brian Frazier *BMF* 04/18/2024
Initiating Department Head Date

Deputy City Attorney, A. Dula _____
Date

Rodney Miller 5/13/24
Asst. City Manager R. Miller Date

R. Beasley 5/16/24
Asst. City Manager, R. Beasley Date

M. Miller 5/13/24
Finance Officer, M. Miller Date

Cameron McHargue 5-14-24
Deputy Finance Officer,
Cameron McHargue Date

Yaidee Fox 5/15/24
Asst City Manager Yaidee Fox Date

Recommended for approval and placement on _____ Council agenda (as
Consent, Public Hearing, Informational, Department Report, etc).

Warren Wood
City Manager, Warren Wood
4-19-24
Date

VOLUNTARY CONTIGUOUS ANNEXATION ANALYSIS

APPLICANT: City of Hickory

AGENT: Warren Wood

PROPERTY LOCATION: 2301 21st Ave NE

PIN: 371308977949

REQUESTED ACTION: The request is for a voluntary contiguous annexation.

WARD: If annexed, this property will be located in Ward 1 (Councilman Wood).

ACREAGE: 12.45 acres

DEVELOPMENT POTENTIAL: The property is currently vacant and located within the City of Hickory’s extraterritorial jurisdiction. The property is zoned R-3 Residential, which permits residential development at 8 dwelling units per acre for attached and detached single-family residential and 10 dwelling units per acre for multi-family residential. Given its size, the property could theoretically be developed to accommodate up to 36 dwelling units.

The City of Hickory wishes to rezone the property to Office and Institution (OI) at accommodate the building of a new park.

TAX VALUE: The current tax value of the property is \$106,600.00. If annexed, the property would generate \$485.03 in additional tax revenues.

POPULATION INCREASES: The property is vacant. The household size within Hickory is estimated to be 2 to 3 occupants. This estimate is based upon the U.S. Census Bureau’s residential household size estimate for single-family dwellings in the city, which is 2.35 persons per household.

SCHOOL DISTRICTS: The property is located within the jurisdictional area of the Catawba County School System, and located in the following school districts:

School Type	School District	Student Multiplier Per Dwelling	Number of Potential or Existing Dwelling Units	Potential Additional Students
Elementary	St. Stephens	0.32	N/A	N/A
Middle	Arndt	0.09	N/A	N/A
High	St. Stephens	0.14	N/A	N/A

**Note: The student multipliers above reflect estimates and are for single-family dwellings only.*

SURROUNDING ZONING AND LAND USE (See Maps 2 & 3):

- **North:** The property is zoned R-3 Residential occupied by single-family homes.
- **South:** The property is zoned R-3 Residential and occupied by a single-family home.
- **East:** The property is zoned R-3 Residential and occupied by a single-family home.
- **West:** The property is zoned R-3 Residential and is occupied by a single-family home.

UTILITY SERVICE: Water and sewer infrastructure is available to serve the proposed annexation area. An 8" sewer main runs across the southern edge of the property, and a 6" water line dead ends at the property on 21st Ave NE. Depending on the proposed development this line may have to be extended to provide adequate fire protection.

ACCESS: Access to the subject property is from 21st Avenue NE and 19th Avenue NE, which are maintained by the North Carolina Department of Transportation (SR 1438 and 1437, respectively).

DISTANCE FROM CITY LIMITS (See Map 1): The property is contiguous to the city boundary along its western boundary. Annexation statutes deem annexations to be contiguous if the area directly abuts the city boundary or is separated from the municipal boundary by the width of a street, street ROW, creek or river, railroad ROW, or lands owned by the state of North Carolina. (NCGS§ 160A-31(f))

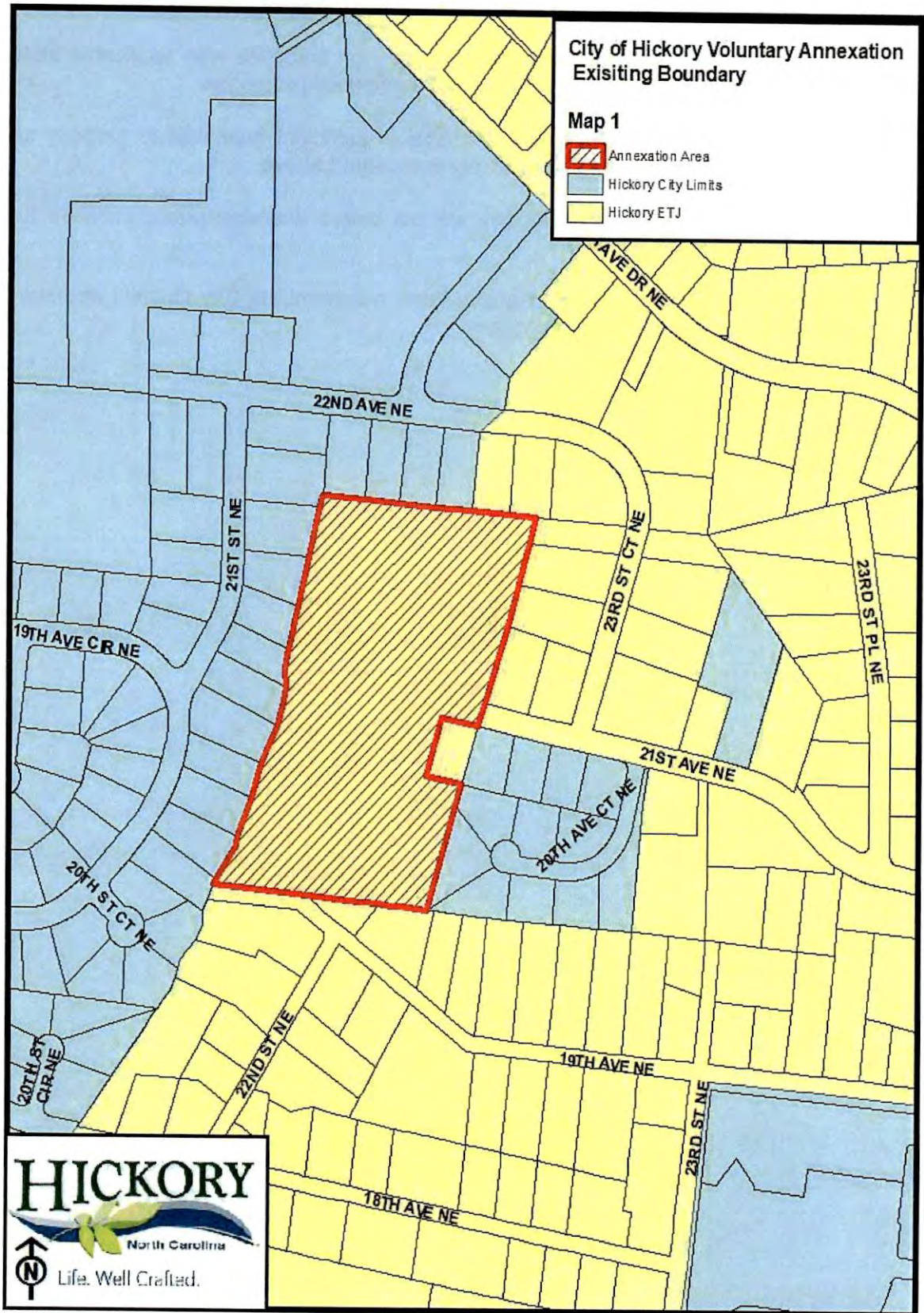
STAFF COMMENTS:

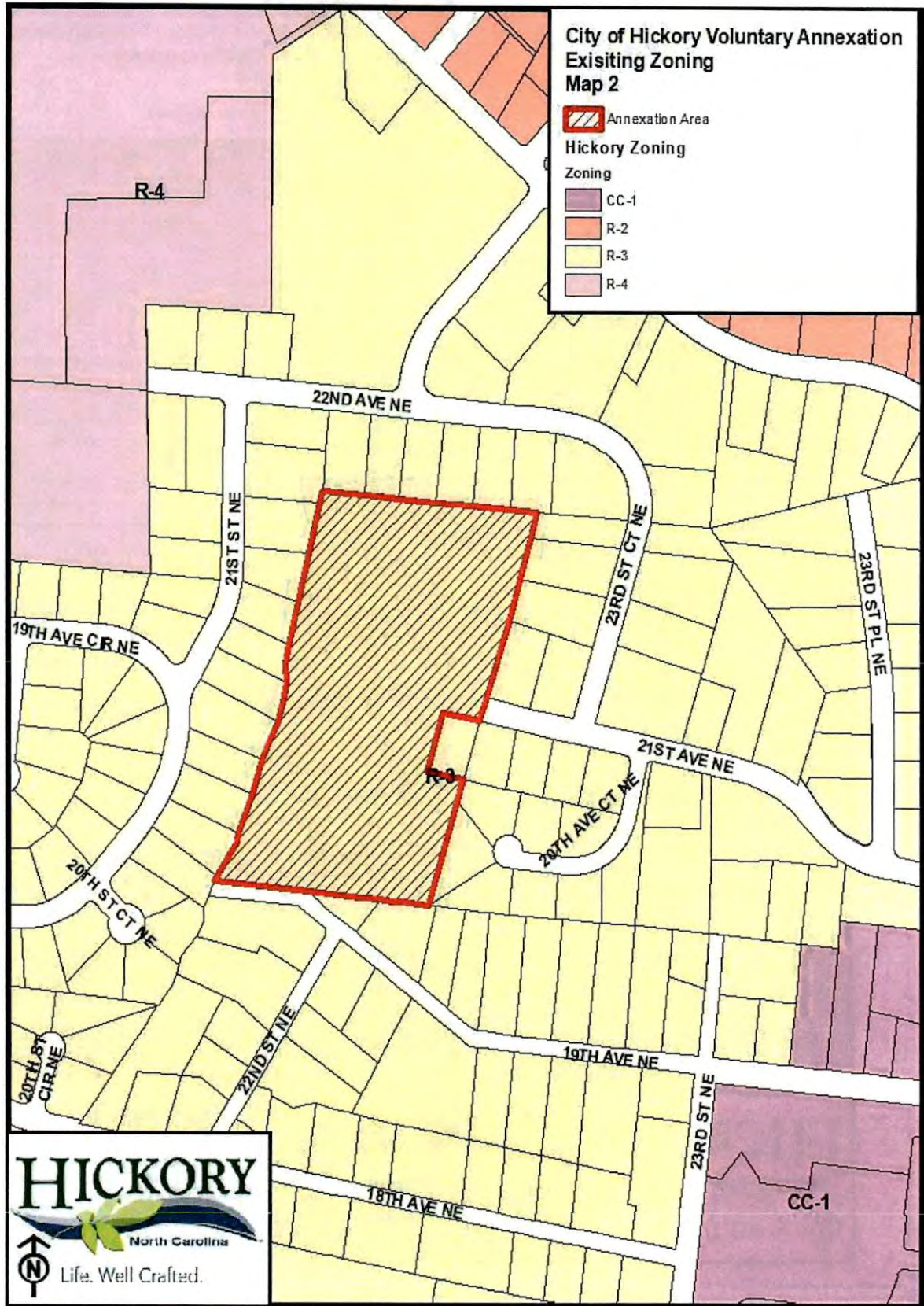
- **Fire:** The annexation of this property, which is currently adjacent to HFD Station 2's response area, would not adversely affect the fire department's operations.
- **Police Department:** Annexation would not adversely affect the police department. The property, upon annexation, will be in Baker PACT.
- **Engineering:** No objections.
- **Planning:** No objections.
- **Public Services:** No objections.
- **Public Utilities:** Water and sewer are both available on the north side of 12th Avenue Driver NE. The property owner may be responsible for installing a low-pressure sewer pump depending on grade. If the property is intended to be subdivided, water and sewer will need to be extended to all parcels.
- **Legal:** No objections.
- **City Manager's Office:** No objections.

STAFF RECOMMENDATION: Upon evaluation staff has found the following:

1. The voluntary contiguous annexation petition complies with applicable statutes regarding the voluntary annexation of contiguous properties.
2. Adequate public services are available in sufficient quantities to properly serve the property, subject to the comments provided above.
3. The annexation of the property will not cause available public services to fall below acceptable levels.

Based upon the findings provided above, staff recommends City Council approve the voluntary contiguous annexation petition.







RESOLUTION NO. 24-____
RESOLUTION DIRECTING THE CLERK TO INVESTIGATE A PETITION RECEIVED
UNDER G.S. 160A-31 AND/OR 160A-58.1, AS AMENDED

WHEREAS, a petition from the City of Hickory requesting annexation of an area described in a petition was received on April 24, 2024, by the City Council of the City of Hickory; and

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

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

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

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

CERTIFICATE OF SUFFICIENCY

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

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

Property of the City of Hickory, containing 12.45-acres more or less, located at 2301 21st Avenue NE, Hickory, NC, and identified as PIN 3713-08-97-7949.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hickory this 24th day of April, 2024.



Debbie D. Miller

Debbie D. Miller, City Clerk

**CITY OF HICKORY
APPLICATION FOR VOLUNTARY ANNEXATION**

DATE SUBMITTED: _____

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

I (We), the undersigned, do hereby respectfully make application and petition for voluntary annexation into the municipal limits of the City of Hickory, and have provided an annexation plat meeting the requirements of the City of Hickory

1. The property be voluntarily annexed is located on 21st Avenue NE
_____ between 23rd Street Court NE and 21st Street NE
_____ and is shown in more detail on the attached survey.

PIN NO. (S) : 3713-08-97-7949

Physical (Street) Address: 2301 21st Avenue NE

2. The property is owned by: (please print) City of Hickory
 (Attach a copy of the most recent deed, contract for purchase or other legal interest demonstrating an interest in the property.)

Owner Information:

Name: City of Hickory

Address: 76 N Center Street Hickory, NC 28601

Phone Number: 828-323-7400

3. The petition is submitted by: City of Hickory
 (If the Petition is submitted by someone other than the owner, the attached agent authorization must be signed, notarized and submitted from the owner(s) authorizing the agent to act on his behalf.)

Agent Information:

Name: Warren Wood

Address: 76 N Center Street Hickory, NC 28601

Phone Number: 828-323-7436

4. If annexation is approved by the Hickory City Council, and if the property(s) is not currently zoned by the City of Hickory, the applicant would request that the property be placed into a Office and Institutional zoning district.

5. WATER AND SEWER AVAILABILTY AND CONNECTIONS

We, the undersigned property owner(s), herby understand and agree we shall be responsible for all costs associated with providing for extensions and/or connections to the City of Hickory public utility system (water and sewer). This includes all design, permitting, construction, legal and applicable City of Hickory Tap Fees. Furthermore, we shall be responsible for obtaining any and all necessary easements and encroachment agreements needed to provide for such extensions or connections and provide those to the City of Hickory as appropriate.

The undersigned owner further acknowledges, they shall be responsible for any future utility extensions required to serve the property due to subdivision of the property.

6. APPLICANT'S AFFIDAVIT

We, the undersigned property owners(s), hereby certify that the information contained herein and submitted in support of this application is true and correct and the property/owner's list and associated envelopes were obtained using the most recent Tax Office property information and are true, correct and complete.

Warren Wood
Printed Name of Property Owner(s)

[Signature]
Signature of Property Owner(s)

76 N Center St Hickory NC 28601
Address of Property Owner(s)

828 323 7413
Telephone Number of Property Owner(s)

(Please choose the appropriate notary block)

State of North Carolina – County of CATAWBA

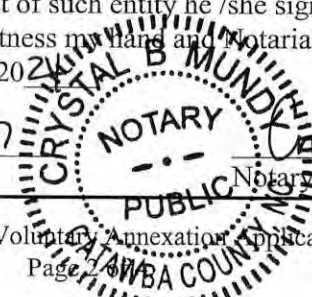
I, the undersigned Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the due execution of this foregoing instrument for the purposes expressed herein. Witness my hand and Notarial stamp or seal, this _____ day of _____, 20____.

My Commission Expires: _____
Notary Public

State of North Carolina – County of CATAWBA

I, the undersigned Notary Public of the County and State aforesaid, certify that Warren Wood personally came before me this day an acknowledged he she is the City manager of City of Hickory corporation / limited liability corporation / general partnership / limited partnership (strike through the inapplicable), and that by authority duly given and as the act of such entity he /she signed the foregoing instrument in its mane on its behalf as its act and deed. Witness my hand and notarial stamp or seal, this 22nd day of April, 2021.

My Commission Expires: 11.02.2027
Crystal B Mundy
Notary Public



FILED
MAY 11 1987

MAY 11 1987

BOOK 1436 PAGE 605

Drawn by: E. Murray Tate, Jr., P. O. Drawer 2428, Hickory, NC 28603

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

13011 WARRANTY DEED

THIS WARRANTY DEED, made this 31st of March, 1987, by and between GENE D. WRIGHT, of Catawba County, North Carolina, hereinafter called the "Grantor," and the CITY OF HICKORY, a municipal corporation, of Post Office Box 398, Hickory, Catawba County, North Carolina, hereinafter called the "Grantee";

WITNESSETH:

That the Grantor, for and in consideration of the sum of TEN (\$10.00) DOLLARS, and other good and valuable consideration to him in hand paid by the Grantee, the receipt of which is hereby acknowledged, has given, granted, bargained, sold and conveyed, and by these presents does give, grant, bargain, sell, convey and confirm unto the Grantee, his heirs and/or successors and assigns, premises in Hickory Township, Catawba County, North Carolina, described as follows:

BEGINNING at an iron stake on the line of Albert Eckard, and running a new line with the S. J. Bolick Estate North 17° East 1,018 feet to an iron stake on the line of the Jim Lippard Estate; thence with said estate line, North 85° West 603 feet to a corner in the middle of Snow Creek on the line of Quint Huffman; thence up the middle of Snow Creek, as it meanders, and with the line of Quint Huffman 1,000 feet, more or less, to a corner in the middle of said creek, corner of Albert Eckard; thence with Eckard's line South 83°45' East 581 feet to the BEGINNING. An iron stake is placed on the line 13 feet from the corner in the creek, containing 13.55 acres, more or less.


The lands herein conveyed are the identical lands conveyed in that Warranty Deed from Albert R. Bolick and others to Johnie F. Phillips and wife, Lucille Tyler Phillips, which deed is dated February 16, 1942 and is recorded in the Office of the Register of Deeds for Catawba County, North Carolina, in Book 310 at Page 280, and the description of said lands is taken from the deed.

REVENUE \$86.50

CATAWBA COUNTY 074041

STATE OF NORTH CAROLINA APR-1987 RB.10677

Real Estate Excise Tax 86.50



Contiguous Annexation
of the
City of Hickory
Property located at
2301 21st Avenue NE

That certain parcel or tract of land lying and being about 3.15 miles northeast of the center of the City of Hickory. Bounded on the north by the existing City of Hickory city limits as shown in Plat Book 18 at Page 8, Plat Book 20 at Page 244, Plat Book 23 at Page 202 and the lands of the following: the City of Hickory as described in Deed Book 1496 at Page 668, Wendy L. Yanes-Vasquez as described in Deed Book 3672 at Page 1517, Ivan O. Cortez Lescano as described in Deed Book 3394 at Page 681, Mee Yang and Viddon Yang, husband and wife, as described in Deed Book 3669 at Page 410, Scot Michael Wildman and wife Lindsay Hahn Wildman as described in Deed Book 3339 at Page 398; on the east by the lands of the following: Wayne M. Beyers and Leigh Ann Byers Benson as described in Deed Book 3812 at Page 1778, Patsy L. Martin and husband Gary A. Martin as described in Deed Book 2813 at Page 761, the 60' right-of-way of 21st Avenue NE (S.R. 1438), Daniel Scott Propst and Monica Gantt Propst as described in Deed Book 3013 at Page 409, Fred Singleton, Jr. and wife Heather D. Singleton as described in Deed Book 3303 at Page 1301, Lynn A. Crouch and wife Karen H. Crouch as described in Deed 1758 at Page 690 and the existing City of Hickory city limits as shown in Plat Book 21 at Page 158; on the south by the lands of Geneva Hart Rowe Heirs 2007E/1075 and the unopened 40' right-of-way of 19th Avenue NE; on the west by Snow Creek, the existing City of Hickory city limits as shown in Plat Book 18 at Page 8 and the lands of the following: Devin Lee Hollar and wife Madison Leann Koci as described in Deed Book 3792 at Page 1476, Henry L. McLeod and wife Rebecca L. McLeod as described in Deed Book 2116 at Page 272, Brian L. and Debra M. Badders Living Trust as described in Deed Book 2937 at Page 1996, Jillcha Wakjira and wife Sidissie Bushen as described in Deed Book 2895 at Page 122, Donald Allan Brown II as described in Deed Book 3295 at Page 1364, Jesse Leonard Beane and wife Jennifer McEachern Beane as described in Deed Book 3457 at Page 1155, Charles W. Wagner and wife Lori P. Wagner as described in Deed Book 3524 at Page 169, David Brawley as described in Deed Book 3662 at Page 358, Dale R. Henrich and wife Diane C. Henrich as described in Deed Book 3701 at Page 1260 and Luis Bernardo Ortiz Sanchez as described in Deed Book 3578 at Page 1115 and more particularly described as follows, to wit.

Beginning at an iron, said iron being the northwest corner of the western terminus of the 60' right-of-way of 21st Avenue NE (S.R. 1438) and running thence, as new City of Hickory city limits the following calls: crossing the western terminus of the 60' right-of-way of 21st Avenue NE (S.R. 1438), South 15 degrees 36 minutes 42 seconds West 60.28 feet to an iron, the northeast corner of Daniel Scott Propst and Monica Gantt

Propst as described in Deed Book 3013 at Page 409; thence, with the north line of Propst, North 79 degrees 56 minutes 18 seconds West 100.00 feet to an iron, the northwest corner of Propst; thence, with the west line of Propst, South 15 degrees 36 minutes 42 seconds West 150.00 feet to an iron, the southeast corner of Propst; thence, with the south line of Propst, South 79 degrees 56 minutes 18 seconds East 100.00 feet to an iron, the northwest corner of Fred Singleton, Jr. and wife Heather D. Singleton as described in Deed Book 3303 at Page 1301 and in the existing City of Hickory city limits as shown in Plat Book 21 at Page 158; thence, with the existing city limits the following calls: with the west line of Singleton, South 15 degrees 36 minutes 42 seconds West 63.70 feet to an iron, the northwest corner of Lynn A. Crouch and wife Karen H. Crouch as described in Deed 1758 at Page 690; thence, with the west line of Crouch, South 15 degrees 36 minutes 42 seconds West 261.12 feet to an iron in the north line of Geneva Hart Rowe Heirs 2007E/1075; thence, with the north line of Rowe, North 84 degrees 31 minutes 12 seconds West 131.20 feet to an iron; thence, continuing with the north line of Rowe the same bearing, a distance of 213.48 feet to an iron on the north right-of-way line of the 40' right-of-way of 19th Avenue NE; thence, with said right-of-way the same bearing, a distance of 242.86 feet to an iron in the east line of Devin Lee Hollar and wife Madison Leann Koci as described in Deed Book 3792 at Page 1476 and the existing City of Hickory city limits shown in Plat Book 18 at Page 8; thence, with the existing city limits the following calls: with the east line of Hollar and Koci, North 24 degrees 59 minutes 01 seconds East 38.38 feet to an iron; thence, continuing with the east line of Hollar and Koci, North 23 degrees 40 minutes 50 seconds East 52.07 feet to an iron, the southeast corner of Henry L. McLeod and wife Rebecca L. McLeod as described in Deed Book 2116 at Page 272; thence, with the east line of McLeod, North 23 degrees 40 minutes 50 seconds East 109.34 feet to an iron; thence, continuing with the east line of McLeod, North 21 degrees 32 minutes 12 seconds East 19.46 feet to an iron, the southeast corner of the Brian L. and Debra M. Badders Living Trust as described in Deed Book 2937 at Page 1996; thence, with the east line of Badders, North 21 degrees 32 minutes 12 seconds East 100.34 feet to an iron, the southeast corner of Jillcha Wakjira and wife Sidissie Bushen as described in Deed Book 2895 at Page 122; thence, with the east line Wakjira and Bushen, North 21 degrees 32 minutes 12 seconds East 101.42 feet to an iron; thence, continuing with the east line of Wakjira and Bushen, North 09 degrees 10 minutes 14 seconds East 6.00 feet to an iron, the southeast corner of Donald Allan Brown II as described in Deed Book 3295 at Page 1364; thence, with the east line of Brown, North 09 degrees 10 minutes 14 seconds East 88.87 feet to an iron, the southeast corner of Jesse Leonard Beane and wife Jennifer McEachern Beane as described in Deed Book 3457 at Page 1155; thence, with the east line of Beane, North 09 degrees 10 minutes 14 seconds East 43.35 feet to an iron; thence, continuing with the east line of Beane, North 06 degrees 55 minutes 51 seconds East 52.05 feet to an iron, the southeast corner of Charles W. Wagner and wife Lori P. Wagner as described in Deed Book 3524 at Page 169; thence, with the east line of Wagner, North 06 degrees 55 minutes 51 seconds East 110.77 feet to an iron, the southeast corner of David Brawley as described in Deed Book 3662 at Page 358; thence, with the east line

of Brawley, North 12 degrees 14 minutes 31 seconds East 45.38 feet to an iron; thence, continuing with the east line of Brawley, North 13 degrees 18 minutes 28 seconds East 81.69 feet to an iron, the southeast corner of Dale R. Henrich and wife Diane C. Henrich as described in Deed Book 3701 at Page 1260; thence, with the east line of Henrich, North 13 degrees 18 minutes 28 seconds East 124.43 feet to an iron, the southeast corner of Luis Bernardo Ortiz Sanchez as described in Deed Book 3578 at Page 1115; thence, with the east line of Sanchez, North 13 degrees 18 minutes 28 seconds East 35.83 feet to an iron, the southwest corner of the City of Hickory as described in Deed Book 1496 at Page 668; thence, with the south line of the City of Hickory, South 85 degrees 49 minutes 32 seconds East 110.13 feet to an iron, the southwest corner of the City of Hickory; thence, continuing with the south line of the City of Hickory, South 85 degrees 49 minutes 32 seconds East 99.99 feet to an iron, the southwest corner of Wendy L. Yanes-Vasquez as described in Deed Book 3672 at Page 1517 and the existing City of Hickory city limits as shown in Plat Book 20 at Page 244; thence, with the south line of Yanes-Vasquez and the existing city limits; South 85 degrees 49 minutes 32 seconds East 100.00 feet to an iron, the southwest corner of Ivan O. Cortez Lescano as described in Deed Book 3394 at Page 681 and the existing City of Hickory city limits as shown in Plat Book 23 at Page 202; thence, with the south line of Lescano and the existing city limits, South 85 degrees 49 minutes 32 seconds East 100.00 feet to an iron, the southwest corner of Mee Yang and Viddon Yang, husband and wife, as described in Deed Book 3669 at Page 410; thence, leaving the existing city limits and as proposed City of Hickory city limits the following calls: with the south line of Yang, South 85 degrees 49 minutes 32 seconds East 100.00 feet to an iron, the southwest corner of Scot Michael Wildman and wife Lindsay Hahn Wildman as described in Deed Book 3339 at Page 398; thence, with the south line of Wildman, South 85 degrees 49 minutes 32 seconds East 87.06 feet to an iron in the south line of Wildman, the northwest corner of Wayne M. Beyers and Leigh Ann Byers Benson as described in Deed Book 3812 at Page 1778; thence, with the west line of Beyers and Benson, South 17 degrees 39 minutes 59 seconds West 175.36 feet to an iron, the northwest corner of Beyers and Benson; thence, continuing with the west line of Beyers and Benson, South 15 degrees 34 minutes 17 seconds West 106.18 feet to an iron, the northwest corner of Patsy L. Martin and husband Gary A. Martin as described in Deed Book 2813 at Page 761; thence, with the west line of Martin, South 15 degrees 36 minutes 42 seconds West 201.62 feet to the beginning. Containing 12.55 acres more or less.

This description was drawn from a plat made by James E. Carswell, PLS L-4494, from deeds and plats of record, titled "Contiguous Annexation of the City of Hickory property located at 2301 21st Avenue NE" and dated April 4, 2024.

RESOLUTION 24-____
RESOLUTION FIXING DATE OF PUBLIC HEARING ON QUESTION OF ANNEXATION,
PURSUANT TO G.S. 160A-31 OR G.S. 160A-58.1, AS AMENDED

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

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

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

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

Section 1: That a public hearing on the question of annexation of the area described herein will be held at 6:00 p.m. on June 4, 2024, in the Council Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.

Section 2: The area proposed for annexation is described as follows:

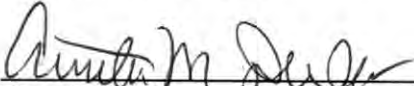
Property of the City of Hickory, containing 12.45-acres more or less, located at 2301 21st Avenue NE, Hickory, NC, and identified as PIN 3713-08-97-7949.

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

Hank Guess
Mayor

Warren Wood, City Manager

Approved As To Form:



Deputy City Attorney for the City of Hickory

RESOLUTION NO. 24-___

A RESOLUTION DETERMINING THE INTENT TO ANNEX INTO THE CORPORATE LIMITS OF THE CITY OF HICKORY CERTAIN PROPERTY OWNED BY CITY OF HICKORY AND CALLING FOR A PUBLIC HEARING ON THE SAME

WHEREAS, the City of Hickory is the owner of certain real property as described herein, which property is located at 2301 21st Avenue NE, Hickory NC and identified as PIN 3713-08-97-7949, containing 12.45-acres more or less; and

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

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

NOW, THEREFORE BE IT RESOLVED by the Hickory City Council, sitting in open session this 21st day of May, 2024, at a regularly scheduled meeting of the governing body of said Council, duly called and posted in accordance with the statutes of the State of North Carolina, as follows:

- Section 1: That the Hickory City Council does determine that it is in the best interest of the health, safety, and well-being of the residents of the City of Hickory to annex the property described hereinafter into the corporate limits of the City of Hickory.
- Section 2: That a public hearing on the question of annexation of the area described herein will be held at 6:00 p.m. on June 4, 2024, in the Council Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.
- Section 3: The same being that property reflected on map entitled City of Hickory, Voluntary Annexation, Existing Boundary Map 1, subject property outlined in red; City of Hickory, Voluntary Annexation, Existing Zoning, Map 2, subject property outlined in red; City of Hickory, Voluntary Annexation, Aerial Photography, Map 3, subject property outlined in red.
- Section 4: Notice of said public hearing shall be published in *The Hickory Daily Record*, a newspaper having general circulation in the City of Hickory, at least ten (10) days prior to the date of said public hearing.

Resolution No. 24-___
Resolution Determining Need For Annexation Of Property Owned by
City of Hickory and Directing Call For Public Hearing
May 2024

Done this 21st day of May, 2024.

(SEAL)

THE CITY OF HICKORY, A
North Carolina Municipal Corporation

Attest:

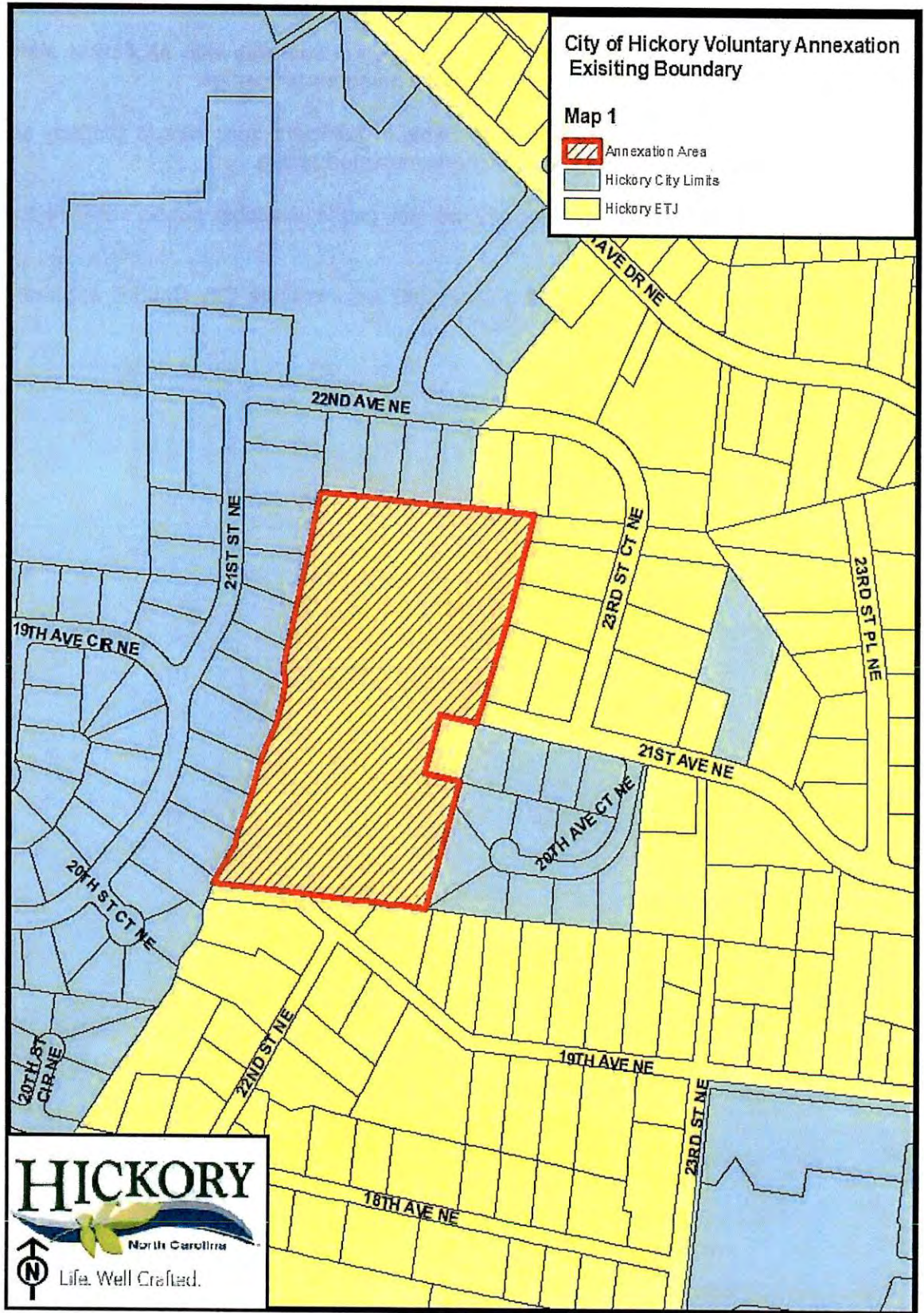
By: _____
Hank Guess, Mayor

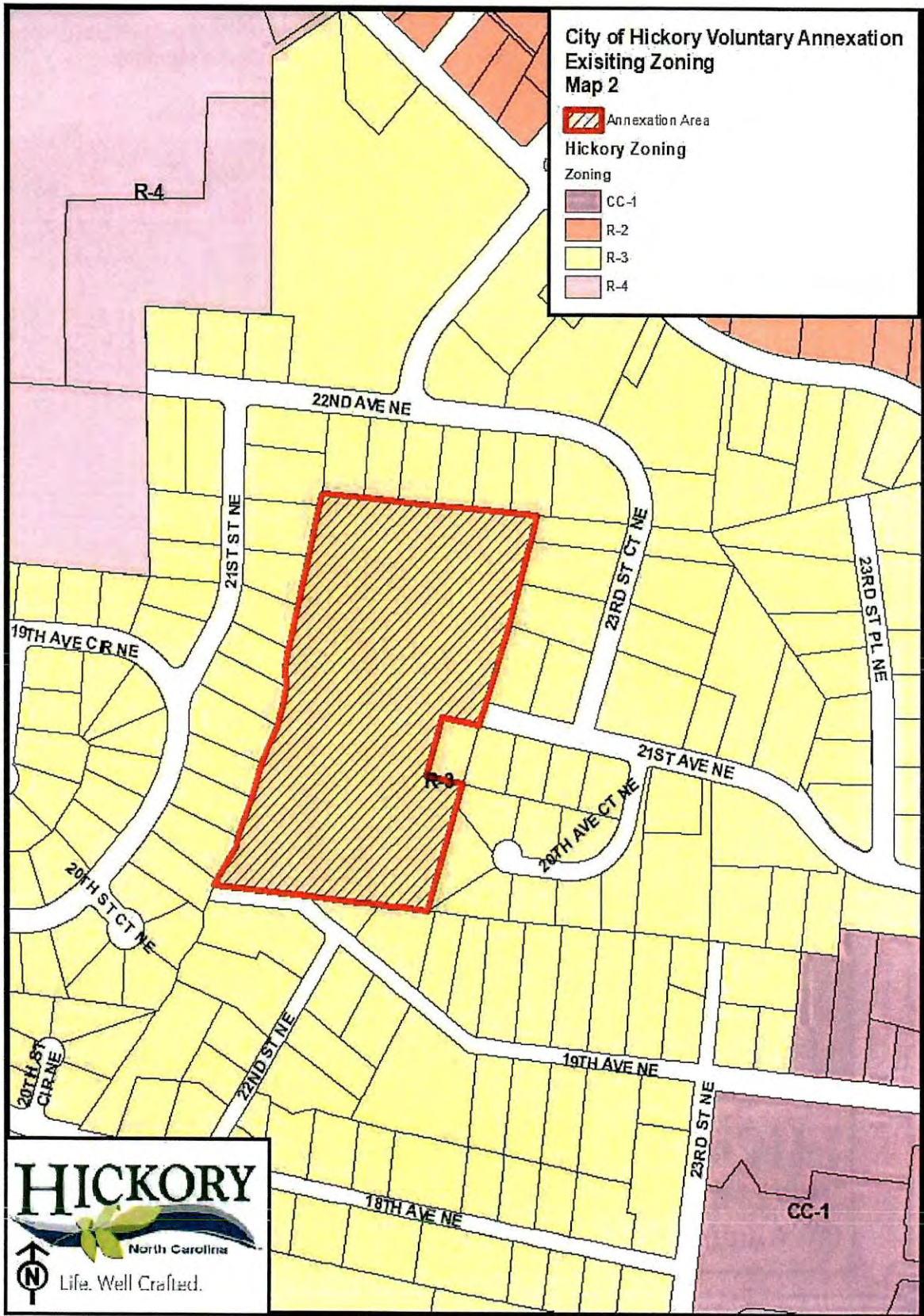
Debbie D. Miller, City Clerk

Approved as to form on behalf of the City of Hickory:

Arnita Dula, Deputy City Attorney

Resolution No. 24-____
Resolution Determining Need For Annexation Of Property Owned by
City of Hickory and Directing Call For Public Hearing
May 2024







**PREPARED BY: City of Hickory
Arnita M. Dula, Deputy City Attorney
P.O. Box 398
Hickory, NC 28603**

STATE OF NORTH CAROLINA – CATAWBA COUNTY: CEMETERY DEED

THIS DEED, made this the ___ day of _____, 2024, by the **CITY OF HICKORY**, a municipal corporation under the laws of the State of North Carolina, acting by and through its Mayor and City Manager, hereinafter referred to as Grantor, and **Jerry Wayne Isenhour and wife, Kathryn Marie Huffman Isenhour** of Catawba County, in said State, hereinafter referred to a Grantee(s);

WITNESSETH

THAT the Grantor, in consideration of the sum of Zero (**\$0.00**) **DOLLARS**, to it paid by the Grantee(s), receipt of which is hereby acknowledged, has bargained and sold, and by these presents does grant, bargain, sell and convey unto the Grantee(s), and his heirs, that certain lot of land containing **Eighty (80)** square feet, situate in Oakwood Cemetery in said City, and designated on the plot of said Cemetery as **J9, Section 58, Plots 1 and 2**. **The purpose of this deed is to rectify plots measured in error from years past.**

TO HAVE AND TO HOLD said cemetery lot to said Grantee(s), his heirs and assigns forever, for burial of bodies of persons and for no other purpose.

This Deed is executed, delivered and accepted upon the condition that the Grantee(s) and his heirs and assigns shall faithfully comply with and carry out all of the terms of Chapter 7 of the Hickory City Code and to any Ordinance of the Hickory City Council amending, revising and/or replacing, in whole or in part Chapter 7 of the Hickory City Code regarding the operation of municipally owned cemeteries and establishing an effective date for the same.

In the event of the actual or attempted use of said lot by the Grantee(s) or his heirs and assigns for any purposes other than designated herein or in any manner in violation of said set out Section of said Chapter 7, this conveyance shall become inoperative and the Grantor shall have his right to immediately resume possession and control of said lot; further, said lot shall not be transferred without the consent in writing of the Grantor, which said consent shall not be unreasonably withheld.

**OAKWOOD CEMETERY DEED
HICKORY, NC
CITY OF HICKORY**

IN WITNESS WHEREOF, the said City of Hickory has caused its official name to be signed, and its common seal affixed hereto, by its Mayor and attested by its City Manager on the day first above written.

ATTEST:

CITY OF HICKORY

City Manager, Warren Wood

Mayor, Hank Guess

**STATE OF NORTH CAROLINA
COUNTY OF CATAWBA**

I, a Notary Public of the county and state aforesaid, certify that **Warren Wood** personally came before me this day and acknowledged that he is the City Manager of the **CITY OF HICKORY**, a North Carolina municipal corporation, and that by authority duly given and as the act of the City Council of the City of Hickory, the foregoing instrument was signed in its name and by its Mayor, sealed with its corporate seal and attested by him as its City Manager.

WITNESS my hand and seal this _____ day of _____, 2024.

Notary Public
My commission expires: _____

Prepared by & return to: Attorney John G. Fuller, 352 2nd St NW, Suite 106, Hickory, NC 28601

Revenue: \$35.00

STATE OF NORTH CAROLINA
CATAWBA COUNTY

CEMETERY DEED

THIS DEED, made this the 18th day of April, 2024, between **PAMELA ABERNETHY PARLIER and husband, JUDSON TIMOTHY PARLIER**, hereinafter referred to as Grantors, and **FRANCES S. FINCER, Married, of 487 26th Ave NE, Unit E, Hickory, NC 28601**, hereinafter referred to as Grantee;

WITNESSETH:

THAT the Grantors, in consideration of the sum of One Thousand Seven Hundred Fifty Dollars (\$1,750.00) paid by the Grantee(s), receipt of which is hereby acknowledged, have bargained and sold, and by these presents does grant, bargain, sell and convey unto the Grantee(s), and his or her heirs, successors and or assigns, that certain lot of land,

**Situated in OAKWOOD CEMETERY in the City of Hickory,
North Carolina, designated on the plot of said Cemetery as
Section 56, Lot 5, and being Plat G.**

The Drafter of this Deed Has Not Examined the Title of the Grave Sites Described above and Does Not Certify the Title of the Grave Sites. The Drafter of this Deed did not perform a closing relating to the conveyance of this land. For partial chain of title see Book 2047, Page 324, Catawba County Registry.

TO HAVE AND TO HOLD said cemetery lot to said Grantee(s), his or her heirs, successors and assigns forever, for burial of bodies of persons and for no other purpose.

This Deed is executed, delivered and accepted upon the condition that the Grantee(s) and his or her heirs, successors and assigns shall faithfully comply with and carry out all of the terms of Chapter 7 of the Hickory City Code and to any Ordinance of the Hickory City Council amending, revising and/or replacing, in whole or in part Chapter 7 of the Hickory City Code regarding the operation of municipally owned cemeteries and establishing an effective date for the same.

In the event of the actual or attempted use of said lot by the Grantee(s) or his or her heirs and assigns for any purposes other than designated herein or in any manner in violation of said set out Section of said Chapter 7, this conveyance shall become inoperative and the Grantor shall have the right to immediately resume possession and control of said lot; further, said lot shall not be transferred without the consent in writing of the Grantor, which said consent shall not be unreasonably withheld.

IN WITNESS WHEREOF, the Grantor has hereunto set his hand and seal this the 23rd day of April, 2024.

Pamela Abernethy Parlier (SEAL)
Pamela Abernethy Parlier

Judson Timothy Parlier (SEAL)
Judson Timothy Parlier

STATE OF Georgia
COUNTY OF Cobb

I, Eli Bulterman, a Notary Public, certify that **PAMELA ABERNETHY PARLIER AND JUDSON TIMOTHY PARLIER** personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official stamp or seal, this 23rd day of April, 2024.

Eli Bulterman
Notary Public
My Commission Expires : May 7, 2025

(Insert Notary Stamp or Seal here)



4

COUNCIL AGENDA MEMOS

To: City Manager’s Office

From: John Marshall, Transportation Planning Manager

Contact Person: John Marshall, Transportation Planning Manager

Date: May 21, 2024

Re: Locally Administered Projects Program (LAPP) Grant Applications - Surface Transportation Block Grant – Direct Attributable (STBG-DA)

REQUEST Approve two LAPP Applications Submittals that include STBG-DA Funding to the Greater Hickory MPO

BACKGROUND The City plans to submit two supplemental grant applications to the Greater Hickory Metropolitan Planning Organization:

- Historic Ridgeview Walk Multi-Use Trail - STBG-DA Supplemental – Additional construction funding to supplement EB-5937 to create a connection between City Walk and the Ridgeview Community and to US 70.
Estimated Total STBG-DA Supplemental Cost \$1,612,500
 - 80% Federal Funding - \$1,290,000
 - 20% Local Match - \$322,500
- US 70 and 4th Street Drive SW Intersection Improvements - STGB-DA Supplemental – Additional construction funding to supplement HL-0002 to create a pedestrian crossing at US 70 and 4th Street Drive SW.
Estimated Cost \$500,000
 - 80% Federal Funding - \$400,000
 - 20% Local Match - \$100,000

ANALYSIS

- The City requests STBG-DA Supplemental funding to construct a multi-use trail from City Walk to the Ridgeview Library. EB-5937 starts at the intersection of South Center Street and the current City Walk. The project proceeds south along South Center Street to City owned property south of the intersection with 4th Avenue SW, where it turns west to intersect 1st Street SW. The path follows 1st Street SW to the intersection with 7th Avenue SW at the Ridgeview Library.

The Historic Ridgeview Walk project is a critical pedestrian and bicycle connection for the City of Hickory and will specifically provide connectivity within the Ridgeview community and connect the Ridgeview community to Downtown Hickory and U.S. 70.

The Historic Ridgeview Walk (Book Walk) will be part of the larger Hickory Trail multi-use system and bond program that seeks to increase quality of life for residents and spur economic revitalization by providing pedestrian and bicycle connectivity throughout the City.

- The City requests STBG-DA funding to construct intersection improvements and a pedestrian crossing at the intersection of US 70 and 4th Street Drive SW. This intersection has high accident rates for vehicles and pedestrians. This project will support EB-5937 and EB-5938 which constructs a multi-use path from City Walk through the Ridgeview Community to the Neighborhood Walmart Grocery Store on the south side of US 70 and 4th Street Drive SW.

The Historic Ridgeview Walk project is a critical pedestrian and bicycle connection for the City of Hickory and will specifically provide connectivity within the Ridgeview community and connect the Ridgeview community to Downtown Hickory and U.S. 70.

The Historic Ridgeview Walk (HL-0002) will be part of the larger Hickory Trail multi-use system and bond program that seeks to increase quality of life for residents and spur economic revitalization by providing pedestrian and bicycle connectivity throughout the City.

RECOMMENDATION Staff requests the Council's approve the resolution supporting the grant applications and committing the 20% match of \$422,500.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

- Historic Ridgeview Walk – EB-5937**
Project# B1L003
061-7504-577.22-02
- US 70 / 4th St Dr SW Improvements**
Project 546019
061-5460-577.01-02

Reviewed by:

Reviewed by:

John Marshall
Irritating Department Head

5/9/2024
Date

Amanda Madala
Deputy City Attorney, A. Dula

5-13-24
Date

R. Miller
Asst. City Manager, R. Miller

5/13/24
Date

R. Beasley
Asst. City Manager, R. Beasley

5/16/24
Date

Y. Fox
Asst. City Manager Y. Fox

5/15/24
Date

C. [Signature]
Purchasing Manager,

5-14-24
Date

M. Miller
Finance Officer, Melissa Miller

5/13/24
Date

Recommended for approval and placement on May 21, 2024 Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

Warren Wood
City Manager Warren Wood

5.15.24
Date

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE CITY OF HICKORY TO SUBMIT APPLICATIONS TO THE GREATER HICKORY METROPOLITAN PLANNING ORGANIZATION IN THE AMOUNT OF \$1,690,000 AND PROVIDE A MATCH OF \$422,500 FOR SURFACE TRANSPORTATION BLOCK GRANT – DIRECT ATTRIBUTABLE (STGB-DA) FUNDS FOR
Historic Ridgeview Walk (Book Walk) – EB-5937
US 70 and 4th Street Drive SW Intersection Improvements – HL-0002

WHEREAS, On March 27, 2024 the Greater Hickory Metropolitan Planning Organization (GHMPO) issued a call for projects to agencies in its jurisdiction for Surface Transportation Block Grant-Direct Attributable Funding (STBG-DA). Funds are available to award among four different transportation modals: bicycle and pedestrian, intersections, roadway, and transit. Each agency may submit no more than three (3) projects of not less than \$200,000 each for possible reward. The funding requires a minimum 20 percent local match.

The City of Hickory is submitting applications for the following projects:

- Historic Ridgeview Walk Multi-Use Trail - STBG-DA Supplemental – Additional construction funding to supplement EB-5937 to create a connection between City Walk and the Ridgeview Community and to US 70.

Estimated Total STBG-DA Supplemental Cost \$1,612,500

- 80% Federal Funding - \$1,290,000
- 20% Local Match - \$322,500

- US 70 and 4th Street Drive SW Intersection Improvements - STBG-DA Supplemental – Additional construction funding to supplement HL-0002 to create a pedestrian crossing at US 70 and 4th Street Drive SW.

Estimated Cost \$500,000

- 80% Federal Funding - \$400,000
- 20% Local Match - \$100,000

NOW, THEREFORE BE IT RESOLVED, that the City of Hickory is hereby authorized to submit grant applications in the amount of \$1,690,000 and will commit \$422,500 as a match for the two application.

Adopted this the _____ day of _____, 2024

THE CITY OF HICKORY a
North Carolina Municipal Corporation

(SEAL)

ATTEST:

By: _____

Hank Guess, Mayor

Debbie D. Miller, City Clerk

Approved as to form this _____ day of _____, 2024

Attorney for the City of Hickory

COUNCIL AGENDA MEMOS

To: City Manager's Office
From: Dave Leonetti, Business Services & Community Development Manager
Contact Person: Dave Leonetti, Business Services & Community Development Manager
Date: May 9, 2024
Re: Citizens Advisory Committee Recommendation

REQUEST

Recommendation for assistance through the City of Hickory's Housing Programs.

BACKGROUND

The mission of the City of Hickory's Community Development Division is to preserve the existing housing base, enhance ownership opportunities for all of its citizens to obtain decent housing, and provide a quality environment conducive to the safe and healthy growth of its citizenry. The seven-member Citizens' Advisory Committee was formed to provide for citizen input in the facilitation of the City's CDBG program, as well as any other similar community enhancement funding the City may receive.

ANALYSIS

The following requests were considered by the Citizens' Advisory Committee at a special called meeting on May 9, 2024:

- Polly Neese, 318 31st Avenue NE Hickory, was recommended for approval of a Housing Rehabilitation Loan. The Citizens' Advisory Committee recommends approval for assistance not to exceed \$25,000.00 for repairs to her house. Assistance would be in the form of a 0% interest deferred loan.
- Thomas & Mary Johnson, 1341 32nd Street SE, Conover, was recommended for approval of a Housing Rehabilitation Loan. The Citizens' Advisory Committee recommends approval for assistance not to exceed \$25,000.00 for repairs to their house. Assistance would be in the form of a 0% interest deferred loan.
- Mildred Mauney, 520 2nd Street SW, Hickory, was recommended for approval of a Housing Rehabilitation Loan. The Citizens' Advisory Committee recommends approval for assistance not to exceed \$25,000.00 for repairs to her house. Assistance would be in the form of a 0% interest deferred loan.

RECOMMENDATION

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

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

059-1537-558-38-01

Reviewed by:

Dave Leonetti 5-9-24
Initiating Department Head Date

Rodney Miller 5/13/24
Asst. City Manager Rodney Miller Date

Melissa Miller 5/13/24
Finance Officer, Melissa Miller Date

Yaidee Fox 5/15/24
Asst City Manager Yaidee Fox Date

Amitha Dula 5-13-24
Deputy City Attorney, A. Dula Date

R. Beasley 5/16/24
Asst. City Manager, R. Beasley Date

Cameron McHargue 5-14-24
Deputy Finance Officer, Cameron McHargue Date

Recommended for approval and placement on _____ Council agenda (as
Consent, Public Hearing, Informational, Department Report, etc).

W. Wood
City Manager, W. Wood

5.15.24
Date

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Karen Dickerson, Infrastructure Grants Manager

Contact Person: Karen Dickerson, Infrastructure Grants Manager

Date: May 9, 2024

Re: Federal Highway Administration Safe Streets for All Grant Agreement

REQUEST

Staff requests Council approval of the Federal Highway Administration Safe Streets for All Grant Agreement.

BACKGROUND

The Bipartisan Infrastructure Law (BIL) established the new Safe Streets and Roads for All (SS4A) discretionary program, with \$5 billion in appropriated funds over 5 years, 2022-2026. The SS4A program funds regional, local, and Tribal initiatives through grants to prevent roadway deaths and serious injuries. The SS4A program supports the U.S. Department of Transportation's National Roadway Safety Strategy and the goal of zero roadway deaths.

ANALYSIS

The City of Hickory has received a grant from the Federal Highway Administration to create a Safe Streets For All Comprehensive Safety Action Plan in the amount of \$200,000 with an 80/20 local match. Planning and Demonstration Grants provide Federal funds to develop, complete, or supplement a comprehensive safety action plan. A Safety Action Plan aims to develop a holistic, well-defined strategy to prevent roadway fatalities and serious injuries in a locality.

The City of Hickory will use the Safe Streets for All Planning Grant to develop a comprehensive Safe Streets and Roads Action Plan that includes key components such as goal setting, safety analysis, equity, and engagement and collaboration. Once the City of Hickory has a comprehensive safety action plan, it may then apply for the Safe Streets for All funding for implementation activities to improve safety on roadways and at intersections.

RECOMMENDATION

Staff recommends that City Council approve the City's grant agreement with the Federal Highway Administration for the Safe Streets for All Comprehensive Safety Action Plan in the amount of \$200,000 with an 80/20 match (\$160,000 federal/\$40,000 local match).

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

010-5460-534.15-03 (Transfer) ^{Yes} ~~RM~~ RM

No RM

LIST THE EXPENDITURE CODE:

Reviewed by:

Karen Dickerson
Initiating Department Head

5/9/2024
Date

Arieta M. Dula
Deputy City Attorney, A. Dula

5-13-24
Date

Rodney Miller
Asst. City Manager Rodney Miller

5/13/24
Date

R. Beasley
Asst. City Manager, R. Beasley

5/16/24
Date

Melissa Miller
Finance Officer, Melissa Miller

5/13/24
Date

Cameron McHargue
Deputy Finance Officer,
Cameron McHargue

5-14-24
Date

Yaidee Fox
Asst City Manager Yaidee Fox

5/15/24
Date

Recommended for approval and placement on _____ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

W. Wood

City Manager, W. Wood

5.15.24
Date

1. Federal Award No.

693JJ32440401

2. Effective Date

See No. 16 Below

3. Assistance

Listings No.
20.939

4. Award To

City of Hickory
76 N. Center St.
Hickory, NC 28601

5. Sponsoring Office

U.S. Department of Transportation
Federal Highway Administration
Office of Safety
1200 New Jersey Avenue, SE
HSSA-1, Mail Drop E71-117
Washington, DC 20590

Unique Entity Id.: RJMSVMJ8NJR3

TIN No.: 56-6001244

6. Period of Performance

Effective Date of Award – 18
months

7. Total Amount

Federal Share:	\$160,000.00
Recipient Share:	\$40,000.00
Other Federal Funds:	\$0
Other Funds:	\$0
Total:	\$200,000.00

8. Type of Agreement

Grant

9. Authority

Section 24112 of the Infrastructure Investment and Jobs Act (Pub. L. 117–58, November 15, 2021; also referred to as the “Bipartisan Infrastructure Law” or “BIL”)

10. Procurement Request No.

HSA240117PR

11. Federal Funds Obligated

\$160,000.00

12. Submit Payment Requests To

See Article 5.

13. Accounting and Appropriations Data

15X0173E50.0000.055SR10500.5592000000.4
1010.610066

14. Description of the Project

SS4A Planning Grant for Hickory, North Carolina, to Develop a Comprehensive Safety Action Plan

RECIPIENT

15. Signature of Person Authorized to Sign

FEDERAL HIGHWAY ADMINISTRATION

16. Signature of Agreement Officer

Signature Date
Name: Warren Wood
Title: City Manager

Signature Date
Name: Hector Santamaria
Title: Agreement Officer

**GRANT AGREEMENT UNDER THE
FISCAL YEAR 2023 SAFE STREETS AND ROADS FOR ALL GRANT PROGRAM**

This agreement is between the United States Department of Transportation's (the "USDOT") Federal Highway Administration (the "FHWA") and the City of Hickory (the "Recipient").

This agreement reflects the selection of the Recipient to receive a Safe Streets and Roads for All ("SS4A") Grant for the SS4A Planning Grant for Hickory, North Carolina, to Develop a Comprehensive Safety Action Plan.

The parties therefore agree to the following:

**ARTICLE 1
GENERAL TERMS AND CONDITIONS**

1.1 General Terms and Conditions.

- (a) In this agreement, "**General Terms and Conditions**" means the content of the document titled "General Terms and Conditions Under the Fiscal Year 2023 Safe Streets and Roads for All ("SS4A") Grant Program," which is available at <https://www.transportation.gov/grants/ss4a/grant-agreements> under "Fiscal Year 2023." Articles 7–30 are in the General Terms and Conditions. The General Terms and Conditions are part of this agreement.
- (b) The Recipient acknowledges that it has knowledge of the General Terms and Conditions. Recipient also states that it is required to comply with all applicable Federal laws and regulations, including, but not limited to, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR part 200); National Environmental Policy Act (NEPA) (42 U.S.C. § 4321 et seq.); and Build America, Buy America Act (BIL, div. G §§ 70901-27).
- (c) The Recipient acknowledges that the General Terms and Conditions impose obligations on the Recipient and that the Recipient's non-compliance with the General Terms and Conditions may result in remedial action, termination of the SS4A Grant, disallowing costs incurred for the Project, requiring the Recipient to refund to the FHWA the SS4A Grant, and reporting the non-compliance in the Federal-government-wide integrity and performance system.

ARTICLE 2
APPLICATION, PROJECT, AND AWARD

2.1 Application.

Application Title: SS4A Planning Grant for Hickory, North Carolina, to Develop a Comprehensive Safety Action Plan

Application Date: July 3, 2023

2.2 Award Amount.

SS4A Grant Amount: \$160,000.00

2.3 Federal Obligation Information.

Federal Obligation Type: Single

2.4 Budget Period.

Budget Period: See Block 6 of Page 1

2.5 Grant Designation.

Designation: Planning

ARTICLE 3
SUMMARY PROJECT INFORMATION

3.1 Summary of Project's Statement of Work.

The City of Hickory will hire a consultant to develop a comprehensive Safety Action Plan. This plan will support Vision Zero and the holistic Safe Systems Approach developed by the Federal Highway Administration. The resulting action plan will inform the identification and implementation of key projects and strategies, focus on examining safety challenges, and incorporate equity considerations to develop a safety action plan that addresses the safety needs of the entire City.

The City will thoroughly review existing street safety conditions with transportation experts, city planners, and community leaders. The City will also collect and analyze accident data to identify high-risk areas, behaviors, and user groups and evaluate the current infrastructure and analysis of safety-related data. This process will enhance the safety of pedestrians, cyclists, and motorists by identifying high-risk areas and implementing evidence-based interventions, such as traffic calming measures, improved signage, and infrastructure upgrades.

The City will seek expert input and public feedback from various perspectives to ensure that all residents, regardless of socioeconomic background, age, or physical abilities, have equal access to safe streets and public spaces. The City will conduct an equity analysis to identify underserved communities, access barriers, and street safety outcome disparities. To hear the many voices in the community, expert consultants and City Staff will engage with community-based organizations, neighborhood associations, and diverse stakeholders throughout the planning process. A cross-collaboration of multiple City departments, such as City Council, City Management, Public Works, Planning, Police, and Fire, will assist with understanding equity concerns and how they affect the safety of citizens of Hickory.

The City will use the risk assessment results to identify potential infrastructure improvements, behavior change campaigns, and community engagement projects to reduce the risk of roadway fatalities. The Safety Action Plan will

identify and prioritize projects and strategies to address safety impact, promote equity, and focus on additional safety contexts, initially through low-cost, high-impact actions enabling immediate improvements. The City will focus on broader factors impacting safe streets, including land use patterns, transportation modes, demographic needs, and social aspects to inform more comprehensive solutions. By researching and prioritizing technologies to improve roadway safety and promoting equitable access to safe streets, the City will achieve its roadway safety goal in all areas. The comprehensive understanding gained from this project will inform targeted interventions and policy recommendations for the underserved census tracts and the entire City.

3.2 Project’s Estimated Schedule.

Action Plan Schedule

Milestone	Schedule Date
Planned NEPA Completion Date:	December 31, 2024
Planned Draft Plan Completion Date:	July 31, 2025
Planned Final Plan Completion Date:	August 31, 2025
Planned Final Plan Adoption Date:	September 30, 2025
Planned SS4A Final Report Date:	October 31, 2025

3.3 Project’s Estimated Costs.

(a) Eligible Project Costs

Eligible Project Costs	
SS4A Grant Amount:	\$160,000.00
Other Federal Funds:	\$0
State Funds:	\$0
Local Funds:	\$40,000.00
In-Kind Match:	\$0
Other Funds:	\$0
Total Eligible Project Cost:	\$200,000.00

(b) Indirect Costs

Indirect costs are allowable under this Agreement in accordance with 2 CFR part 200 and the Recipient’s approved Budget Application. In the event the Recipient’s indirect cost rate changes, the Recipient will notify FHWA of the planned adjustment and provide supporting documentation for such adjustment. This Indirect Cost provision does not operate to waive the limitations on Federal funding provided in this document. The Recipient’s indirect costs are allowable only insofar as they do not cause the Recipient to exceed the total obligated funding.

RECIPIENT INFORMATION

4.1 Recipient Contact(s).

Karen Dickerson
 Infrastructure Grants Manager
 City of Hickory
 76 N. Center Street Hickory, North Carolina 28601
 828-323-7488
kdickerson@hickorync.gov

4.2 Recipient Key Personnel.

Name	Title or Position
Caroline Kone	Traffic Division Manager
Jarod Marshall	Traffic Engineer
John Marshall	Transportation Planning Manager
Steve Miller	Public Services Director
Will Hamblin	Construction Project Manager

4.3 USDOT Project Contact(s).

Safe Streets and Roads for All Program Manager
 Federal Highway Administration
 Office of Safety
 HSSA-1, Mail Stop: E71-117
 1200 New Jersey Avenue, S.E.
 Washington, DC 20590
 202-366-2822
SS4A.FHWA@dot.gov

and

Agreement Officer (AO)
 Federal Highway Administration
 Office of Acquisition and Grants Management
 HCFA-33, Mail Stop E62-310
 1200 New Jersey Avenue, S.E.
 Washington, DC 20590
 202-493-2402
HCFASS4A@dot.gov

and

Division Administrator – North Carolina Division
Agreement Officer’s Representative (AOR)
310 New Bern Ave, Ste 410
Raleigh, NC 27601
(919) 856-4346
NorthCarolina.FHWA@dot.gov

and

George Hoops
North Carolina Division Office Lead Point of Contact
Planning and Program Development Manager
310 New Bern Ave, Ste 410
Raleigh, NC 27601
(919) 747-7022
george.hoops@dot.gov

ARTICLE 5 USDOT ADMINISTRATIVE INFORMATION

5.1 Office for Subaward and Contract Authorization.

USDOT Office for Subaward and Contract Authorization: FHWA Office of Acquisition and Grants Management

SUBAWARDS AND CONTRACTS APPROVAL

Note: See 2 CFR § 200.331, Subrecipient and contractor determinations, for definitions of subrecipient (who is awarded a subaward) versus contractor (who is awarded a contract).

Note: Recipients with a procurement system deemed approved and accepted by the Government or by the Agreement Officer (the “**AO**”) are exempt from the requirements of this clause. See 2 CFR 200.317 through 200.327. Note: This clause is only applicable to grants that do not include construction.

In accordance with 2 CFR 200.308(c)(6), unless described in the application and funded in the approved award, the Recipient must obtain prior written approval from the AO for the subaward, transfer, or contracting out of any work under this award above the Simplified Acquisition Threshold. This provision does not apply to the acquisition of supplies, material, equipment, or general support services. Approval will be issued through written notification from the AO or a formal amendment to the Agreement.

The following subawards and contracts are currently approved under the Agreement by the AO. This list does not include supplies, material, equipment, or general support services which are exempt from the pre-approval requirements of this clause.

5.2 Reimbursement Requests

- (a) The Recipient may request reimbursement of costs incurred within the budget period of this agreement if those costs do not exceed the amount of funds obligated and are allowable under the applicable cost provisions of 2 C.F.R. Part 200, Subpart E. The Recipient shall not request reimbursement more frequently than monthly.
- (b) The Recipient shall use the DELPHI iSupplier System to submit requests for reimbursement to the payment office. When requesting reimbursement of costs incurred or credit for cost share incurred, the Recipient shall electronically submit supporting cost detail with the SF-270 (Request for Advance or Reimbursement)

or SF-271 (Outlay Report and Request for Reimbursement for Construction Programs) to clearly document all costs incurred. ^{Exhibit VIII.J.}

- (c) The Recipient's supporting cost detail shall include a detailed breakout of all costs incurred, including direct labor, indirect costs, other direct costs, travel, etc., and the Recipient shall identify the Federal share and the Recipient's share of costs. If the Recipient does not provide sufficient detail in a request for reimbursement, the Agreement Officer's Representative (the "AOR") may withhold processing that request until the Recipient provides sufficient detail.
- (d) The USDOT shall not reimburse costs unless the AOR reviews and approves the costs to ensure that progress on this agreement is sufficient to substantiate payment.
- (e) In the rare instance the Recipient is unable to receive electronic funds transfers (EFT), payment by EFT would impose a hardship on the Recipient because of their inability to manage an account at a financial institution, and/or the Recipient is unable to use the DELPHI iSupplier System to submit their requests for disbursement, the FHWA may waive the requirement that the Recipient use the DELPHI iSupplier System. The Recipient shall contact the Division Office Lead Point of Contact for instructions on and requirements related to pursuing a waiver.
- (f) The requirements set forth in these terms and conditions supersede previous financial invoicing requirements for Recipients.

ARTICLE 6 SPECIAL GRANT TERMS

- 6.1** SS4A funds must be expended within five years after the grant agreement is executed and DOT obligates the funds, which is the budget period end date in section 10.3 of the Terms and Conditions and section 2.4 in this agreement.
- 6.2.** The Recipient demonstrates compliance with civil rights obligations and nondiscrimination laws, including Titles VI of the Civil Rights Act of 1964, the Americans with Disabilities Act (ADA), and Section 504 of the Rehabilitation Act, and accompanying regulations. Recipients of Federal transportation funding will also be required to comply fully with regulations and guidance for the ADA, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and all other civil rights requirements.
- 6.3** SS4A Funds will be allocated to the Recipient and made available to the Recipient in accordance with FHWA procedures.
- 6.4** The Recipient of a Planning and Demonstration Grant acknowledges that the Action Plan will be made publicly available and agrees that it will publish the final Action Plan on a publicly available website.
- 6.5** There are no other special grant requirements.

**ATTACHMENT A
PERFORMANCE MEASUREMENT INFORMATION**

Study Area: City of Hickory

Table 1: Performance Measure Table

Measure	Category and Description	Measurement Frequency and Reporting Deadline
Equity	Percent of Funds to Underserved Communities: Funding amount (of total project amount) benefitting underserved communities, as defined by USDOT	Within 120 days after the end of the period of performance
Costs	Project Costs: Quantification of the cost of each eligible project carried out using the grant	Within 120 days after the end of the period of performance
Lessons Learned and Recommendations	Lessons Learned and Recommendations: Description of lessons learned and any recommendations relating to future projects or strategies to prevent death and serious injury on roads and streets.	Within 120 days after the end of the period of performance

**ATTACHMENT B
CHANGES FROM APPLICATION**

Describe all material differences between the scope, schedule, and budget described in the application and the scope, schedule, and budget described in Article 3. The purpose of Attachment B is to clearly and accurately document any differences in scope, schedule, and budget to establish the parties' knowledge and acceptance of those differences. See Article 11 for the Statement of Work, Schedule, and Budget Changes. If there are no changes, please insert "N/A" in Section 3.3 of the table.

Scope:

Schedule:

Budget:

The table below provides a summary comparison of the project budget.

Fund Source	Application		Section 3.3	
	\$	%	\$	%
Previously Incurred Costs (Non-Eligible Project Costs)				
Federal Funds				N/A
Non-Federal Funds				N/A
Total Previously Incurred Costs				N/A
Future Eligible Project Costs				
SS4AFunds				N/A
Other Federal Funds				N/A
Non-Federal Funds				N/A
Total Future Eligible Project Costs				N/A
Total Project Costs				N/A

**ATTACHMENT C
RACIAL EQUITY AND BARRIERS TO OPPORTUNITY**

1. Efforts to Improve Racial Equity and Reduce Barriers to Opportunity.

The Recipient states that rows marked with “X” in the following table align with the application:

	A racial equity impact analysis has been completed for the Project. <i>(Identify a report on that analysis or, if no report was produced, describe the analysis and its results in the supporting narrative below.)</i>
	The Recipient or a project partner has adopted an equity and inclusion program/plan or has otherwise instituted equity-focused policies related to project procurement, material sourcing, construction, inspection, hiring, or other activities designed to ensure racial equity in the overall delivery and implementation of the Project. <i>(Identify the relevant programs, plans, or policies in the supporting narrative below.)</i>
	The Project includes physical-barrier-mitigating land bridges, caps, lids, linear parks, and multimodal mobility investments that either redress past barriers to opportunity or that proactively create new connections and opportunities for underserved communities that are underserved by transportation. <i>(Identify the relevant investments in the supporting narrative below.)</i>
	The Project includes new or improved walking, biking, and rolling access for individuals with disabilities, especially access that reverses the disproportional impacts of crashes on people of color and mitigates neighborhood bifurcation. <i>(Identify the new or improved access in the supporting narrative below.)</i>
	The Project includes new or improved freight access to underserved communities to increase access to goods and job opportunities for those underserved communities. <i>(Identify the new or improved access in the supporting narrative below.)</i>
	The Recipient has taken other actions related to the Project to improve racial equity and reduce barriers to opportunity, as described in the supporting narrative below.
X	The Recipient has not yet taken actions related to the Project to improve racial equity and reduce barriers to opportunity but intends to take relevant actions described in the supporting narrative below.
	The Recipient has not taken actions related to the Project to improve racial equity and reduce barriers to opportunity and will not take those actions under this award.

2. Supporting Narrative.

The Safety Action Plan will identify and prioritize projects and strategies to address safety impact, promote equity, and focus on additional safety contexts, initially through low-cost, high-impact actions enabling immediate improvements. The City will focus on broader factors impacting safe streets, including land use patterns, transportation modes, demographic needs, and social aspects to inform more comprehensive solutions. A review of FARS data shows that many fatalities in roadway accidents occur in underserved census tracts as defined by the USDOT Equitable Transportation Community (ETC) Explorer tool. The City will seek expert input and public feedback from a broad range of perspectives to ensure that all residents, regardless of socioeconomic background, age, or physical abilities, have equal access to safe streets and public spaces.

ATTACHMENT D
CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE IMPACTS

1. Consideration of Climate Change and Environmental Justice Impacts.

The Recipient states that rows marked with “X” in the following table align with the application:

	The Project directly supports a Local/Regional/State Climate Action Plan that results in lower greenhouse gas emissions. <i>(Identify the plan in the supporting narrative below.)</i>
	The Project directly supports a Local/Regional/State Equitable Development Plan that results in lower greenhouse gas emissions. <i>(Identify the plan in the supporting narrative below.)</i>
	The Project directly supports a Local/Regional/State Energy Baseline Study that results in lower greenhouse gas emissions. <i>(Identify the plan in the supporting narrative below.)</i>
	The Recipient or a project partner used environmental justice tools, such as the EJScreen, to minimize adverse impacts of the Project on environmental justice communities. <i>(Identify the tool(s) in the supporting narrative below.)</i>
	The Project supports a modal shift in freight or passenger movement to reduce emissions or reduce induced travel demand. <i>(Describe that shift in the supporting narrative below.)</i>
	The Project utilizes demand management strategies to reduce congestion, induced travel demand, and greenhouse gas emissions. <i>(Describe those strategies in the supporting narrative below.)</i>
	The Project incorporates electrification infrastructure, zero-emission vehicle infrastructure, or both. <i>(Describe the incorporated infrastructure in the supporting narrative below.)</i>
	The Project supports the installation of electric vehicle charging stations. <i>(Describe that support in the supporting narrative below.)</i>
	The Project promotes energy efficiency. <i>(Describe how in the supporting narrative below.)</i>
	The Project serves the renewable energy supply chain. <i>(Describe how in the supporting narrative below.)</i>
	The Project improves disaster preparedness and resiliency <i>(Describe how in the supporting narrative below.)</i>
	The Project avoids adverse environmental impacts to air or water quality, wetlands, and endangered species, such as through reduction in Clean Air Act criteria pollutants and greenhouse gases, improved stormwater management, or improved habitat connectivity. <i>(Describe how in the supporting narrative below.)</i>
	The Project repairs existing dilapidated or idle infrastructure that is currently causing environmental harm. <i>(Describe that infrastructure in the supporting narrative below.)</i>
	The Project supports or incorporates the construction of energy- and location-efficient buildings. <i>(Describe how in the supporting narrative below.)</i>
	The Project includes recycling of materials, use of materials known to reduce or reverse carbon emissions, or both. <i>(Describe the materials in the supporting narrative below.)</i>

	The Recipient has taken other actions to consider climate change and environmental justice impacts of the Project, as described in the supporting narrative below.
X	The Recipient has not yet taken actions to consider climate change and environmental justice impacts of the Project but will take relevant actions described in the supporting narrative below.
	The Recipient has not taken actions to consider climate change and environmental justice impacts of the Project and will not take those actions under this award.

2. Supporting Narrative.

By researching and prioritizing technologies to improve roadway safety and promoting equitable access to safe streets, the City will achieve its roadway safety goal in all areas. The comprehensive understanding gained from this project will inform targeted interventions and policy recommendations for the underserved census tracts and the entire City. The plan will inform future planned activities that will increase awareness of climate change and the issues that are causing environmental harm. Future activities, dictated by the Safety Action Plan will increase the awareness of climate change and dictate opportunities to improve climate resiliency within historically underserved communities and the entire city. The goal is overall carbon emissions reduction by creating safer sidewalks and trails in conjunction with improved road safety. In addition, the City is working on an Energy Efficiency Conservation Strategy in conjunction with the Department of Energy and the Energy Efficiency Conservation Block Grant.

**ATTACHMENT E
LABOR AND WORKFORCE**

1. Efforts to Support Good-Paying Jobs and Strong Labor Standards

The Recipient states that rows marked with “X” in the following table align with the application:

	The Recipient demonstrate, to the full extent possible consistent with the law, an effort to create good-paying jobs with the free and fair choice to join a union and incorporation of high labor standards. <i>(Identify the relevant agreements and describe the scope of activities they cover in the supporting narrative below.)</i>
	The Recipient or a project partner has adopted the use of local and economic hiring preferences in the overall delivery and implementation of the Project. <i>(Describe the relevant provisions in the supporting narrative below.)</i>
	The Recipient or a project partner has adopted the use of registered apprenticeships in the overall delivery and implementation of the Project. <i>(Describe the use of registered apprenticeship in the supporting narrative below.)</i>
	The Recipient or a project partner will provide training and placement programs for underrepresented workers in the overall delivery and implementation of the Project. <i>(Describe the training programs in the supporting narrative below.)</i>
	The Recipient or a project partner will support free and fair choice to join a union in the overall delivery and implementation of the Project by investing in workforce development services offered by labor-management training partnerships or setting expectations for contractors to develop labor-management training programs. <i>(Describe the workforce development services offered by labor-management training partnerships in the supporting narrative below.)</i>
	The Recipient or a project partner will provide supportive services and cash assistance to address systemic barriers to employment to be able to participate and thrive in training and employment, including childcare, emergency cash assistance for items such as tools, work clothing, application fees and other costs of apprenticeship or required pre-employment training, transportation and travel to training and work sites, and services aimed at helping to retain underrepresented groups like mentoring, support groups, and peer networking. <i>(Describe the supportive services and/or cash assistance provided to trainees and employees in the supporting narrative below.)</i>
	The Recipient or a project partner has documented agreements or ordinances in place to hire from certain workforce programs that serve underrepresented groups. <i>(Identify the relevant agreements and describe the scope of activities they cover in the supporting narrative below.)</i>

	<p>The Recipient or a project partner participates in a State/Regional/Local comprehensive plan to promote equal opportunity, including removing barriers to hire and preventing harassment on work sites, and that plan demonstrates action to create an inclusive environment with a commitment to equal opportunity, including:</p> <ul style="list-style-type: none"> a. affirmative efforts to remove barriers to equal employment opportunity above and beyond complying with Federal law; b. proactive partnerships with the U.S. Department of Labor’s Office of Federal Contract Compliance Programs to promote compliance with EO 11246 Equal Employment Opportunity requirements and meet the requirements as outlined in the Notice of Funding Opportunity to make good faith efforts to meet the goals of 6.9 percent of construction project hours being performed by women and goals that vary based on geography for construction work hours and for work being performed by people of color; c. no discriminatory use of criminal background screens and affirmative steps to recruit and include those with former justice involvement, in accordance with the Fair Chance Act and equal opportunity requirements; d. efforts to prevent harassment based on race, color, religion, sex, sexual orientation, gender identity, and national origin; e. training on anti-harassment and third-party reporting procedures covering employees and contractors; and f. maintaining robust anti-retaliation measures covering employees and contractors. <p><i>(Describe the equal opportunity plan in the supporting narrative below.)</i></p>
	<p>The Recipient has taken other actions related to the Project to create good-paying jobs with the free and fair choice to join a union and incorporate strong labor standards. <i>(Describe those actions in the supporting narrative below.)</i></p>
<p>x</p>	<p>The Recipient has not yet taken actions related to the Project to create good-paying jobs with the free and fair choice to join a union and incorporate strong labor standards but, before beginning construction of the project, will take relevant actions described in the supporting narrative below.</p>
	<p>The Recipient has not taken actions related to the Project to improving good-paying jobs and strong labor standards and will not take those actions under this award.</p>

2. Supporting Narrative.

The City will use the risk assessment results to identify potential infrastructure improvements, behavior change campaigns, and community engagement projects to reduce the risk of roadway fatalities. The Safety Action Plan will identify and prioritize projects and strategies to address safety impact, promote equity, and focus on additional safety contexts, initially through low-cost, high-impact actions enabling immediate improvements. The City will focus on broader factors impacting safe streets, including land use patterns, transportation modes, demographic needs, and social aspects to inform more comprehensive solutions. The comprehensive understanding gained from this project will inform targeted interventions and policy recommendations for the underserved census tracts and the entire City. By developing a Safety Action Plan the city can then implement the changes suggested by improving streets and sidewalks and thereby increasing good paying jobs for the construction of these improved assets. The City will adhere to all Davis Bacon and DBE regulations.

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COUNCIL AGENDA MEMOS

To: City Manager's Office
From: Matthew Hutchinson, Fire Chief
Contact Person: Fire Chief Matthew Hutchinson
Date: May 13, 2024
Re: Purchase of Self-Contained Breathing Apparatus

REQUEST

To approve the purchase and replacement of Self-Contained Breathing Apparatus (SCBA) for the fire department. The new SCBA will be purchased using the North Carolina Sheriff's Association Contract # Bid 24-01-0524.

BACKGROUND

The Self-Contained Breathing Apparatus is used daily for firefighting and rescue operations by the department. This equipment is standardized by the National Institute for Occupational Safety & Health (NIOSH) and the National Fire Protection Association (NFPA) and periodically receives Edition Updates. The current SCBA being used in the department is meeting the 2013 Edition of NFPA 1981: Standard on Open-Circuit Self Contained Breathing Apparatus.

ANALYSIS

A program was established to replace all SCBA used within the department at the same time to assist with firefighter training and familiarity. An equipment committee was formed and selected the Scott Safety Air Pak based on advancements in technology, improved performance capabilities, and improved safety features. The purchase will replace Seventy (70) Scott Safety Self-Contained Breathing Apparatus (SCBA), forty-two (42) Cylinders, and one-hundred thirty (130) Facemasks.

RECOMMENDATION

Hickory Fire Department Staff recommends approval of the purchase of Seventy (70) Scott Safety Self-Contained Breathing Apparatus (SCBA), forty-two (42) Cylinders, and one-hundred thirty (130) Facemasks from Rhinehart Fire Services for \$690,000.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes



No



LIST THE EXPENDITURE CODE:

010-5300.527.74-03

Reviewed by:

Matthew S. Hutchison

5-13-2024

Initiating Department Head

Date

Auntie M. Dula

5-14-24

Deputy City Attorney, A. Dula

Date

Rodney Miller

5/14/24

Deputy City Manager Rodney Miller

Date

R. Beasley

5/16/24

Asst. City Manager, R. Beasley

Date

Kari Dunlap

5/17/24

Finance Officer Kari Dunlap

Date

R. Cannon

5-17-24

Deputy Finance Officer C. McHargue

Date

Date

Recommended for approval and placement on _____ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

W. Wood

City Manager, W. Wood

5.17.24

Date

**North Carolina Sheriffs' Association
 First Responder Supplies and Equipment
 Procurement Program
 Contract Award Agreement**

**First Responder Supplies and Equipment
 Procurement Program
 Bid 24-01-0524**

We are pleased to announce the North Carolina Sheriffs' Association has successfully completed its nationwide competitive award for First Responder Supplies and Equipment. All local government units are eligible to utilize this competitively bid contract while keeping with their local governing purchasing ordinances. Bid 24-01-0524 will be effective June 18, 2023 through June 17, 2024.

Congratulations, your company has been included on the Association's price sheet contract controlled by the North Carolina Sheriffs' Association's Solicitation for Bids and Contract Terms and Conditions.

By the award of this contract based on your company's bid for Solicitation Number 24-01-0524, all terms and conditions set forth in the Solicitation for Bids and Contract Terms and Conditions are incorporated herein by reference and agreed to by the Contractor and the North Carolina Sheriffs' Association.



 Signature of Authorized Representative

Jody Brown

 Printed Name of Authorized Representative

Rhinchant Fire Services

 Contractor/Vendor Name (Please Print)

6-19-2023

 Date



 Signature of NCSA Contract Administrator

Jason D. Bennett

 Printed Name of NCSA Contract Administrator

June 18, 2023

 Date

BUDGET REVISION # 21

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, 2024 and for the duration of the Project Ordinances noted herein.

SECTION 1. To amend the		General Fund	within the FY 2023-24 Budget Ordinance, the	
expenditures shall be amended as follows:				
		FUNCTIONAL AREA	INCREASE	DECREASE
Culture & Recreation			12,487	
Public Safety			392,500	
		TOTAL	404,987	-
To provide funding for the above, the		General Fund	revenues will be amended as follows:	
		FUNCTIONAL AREA	INCREASE	DECREASE
Sales and Services			12,487	
Other Financing Sources			390,000	
Restricted Intergovernmental			2,500	
		TOTAL	404,987	-

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.

Adopted this ____ day of _____, 2024

Mayor

Clerk

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COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Office of Business Development, Planning Division

Contact Person: Cal Overby, Planning Manager

Date: May 9, 2024

Re: Voluntary contiguous annexation of property owned by Terry Dean Hollar.

REQUEST

Consideration of the voluntary contiguous annexation of 1.821 acres of property located at 2326 12th Avenue Drive NE. This property is identified as PIN 372313032690.

BACKGROUND

The property is currently occupied by a single family residence and located within the City's extraterritorial jurisdiction. The property is zoned R-4 Residential, which permits residential development at 12 dwelling units per acre for attached and detached single-family residential, and 20 dwelling units per acre for multi-family residential. Given its size, redevelopment of the property could theoretically create up to 36 dwellings.

The property owner desires to connect the property to city sewer service, which requires annexation.

ANALYSIS

The owner of the property is requesting annexation in order to gain access to city utilities. As previously noted, the property is currently occupied by a single-family residence, and is the extent of development at this time.

Surrounding properties are zoned R-4 Residential and occupied by single family homes and a church/school.

The current tax value of the property is \$158,800.00. If annexed, the property would generate \$722.54 in additional tax revenues.

Upon analysis, staff has determined the petition meets the statutory requirements for voluntary contiguous annexation, and adequate public services are available.

RECOMMENDATION

Staff finds the petition to be in conformity with applicable statutes and recommends approval of the petition.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Reviewed by:

Brian Frazier BMF 5/9/2024
Initiating Department Head Date

Amata M. Dula 5-13-24
Deputy City Attorney, A. Dula Date

Rody Miller 5/13/24
Asst. City Manager R. Miller Date

R. Beasley 5/16/24
Asst. City Manager, R. Beasley Date

Kari Miller 5/13/24
Finance Officer, M. Miller Date

Cameron McHardue 5-14-24
Deputy Finance Officer,
Cameron McHardue Date

Yaidee Fox 5/15/24
Asst City Manager Yaidee Fox Date

Recommended for approval and placement on _____ Council agenda (as
Consent, Public Hearing, Informational, Department Report, etc).

Warren Wood
City Manager, Warren Wood

5.15.24
Date

**CITY OF HICKORY
APPLICATION FOR VOLUNTARY ANNEXATION**

DATE SUBMITTED: Apr: 11th, 2024

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

I (We), the undersigned, do hereby respectfully make application and petition for voluntary annexation into the municipal limits of the City of Hickory, and have provided an annexation plat meeting the requirements of the City of Hickory

1. The property be voluntarily annexed is located on 12th Avenue Dr. NE
12th between 12th Avenue NE and 11th Avenue NE and is shown in more detail on the attached survey.
 PIN NO. (S): 372313032690
2. Physical (Street) Address: 2326 12th Ave Dr NE Hickory NC 28601
3. The property is owned by: (please print) Terry Dean Hollar
 (Attach a copy of the most recent deed.)
4. Owner Information:
 Name: Terry Dean Hollar
 Address: PO Box 2570 Hickory, NC 28603-2570
 Phone Number: 828-302-1654
5. The petition is submitted by: Same as above
 Agent Information:
 Name: _____
 Address: _____
 Phone Number: _____
4. If annexation is approved by the Hickory City Council, and if the property(s) is not currently zoned by the City of Hickory, the applicant would request that the property be placed into a R-4 Residential zoning district.

5. WATER AND SEWER AVAILABILITY AND CONNECTIONS

We, the undersigned property owner(s), hereby understand and agree we shall be responsible for all costs associated with providing for extensions and/or connections to the City of Hickory public utility system (water and sewer). This includes all design, permitting, construction, legal and applicable City of Hickory Tap Fees. Furthermore, we shall be responsible for obtaining any and all necessary easements and encroachment agreements needed to provide for such extensions or connections and provide those to the City of Hickory as appropriate.

The undersigned owner further acknowledges, they shall be responsible for any future utility extensions required to serve the property due to subdivision of the property.

6. OWNER'S AFFIDAVIT

We, the undersigned property owners(s), hereby certify that the information contained herein and submitted in support of this application is true and correct.

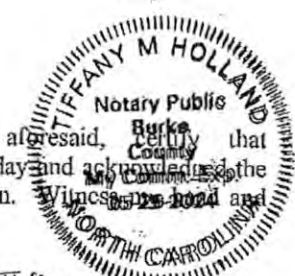
Terry Dean Hollar and Joye T. Hollar (Printed Name of Property Owner(s)) Joye T. Hollar (Signature of Property Owner(s))

65 River Pointe Drive Hickory NC 28601 (Address of Property Owner(s)) 828-302-1664 / 828-302-1663 (Telephone Number of Property Owner(s))

(Please choose the appropriate notary block)

State of North Carolina - County of Burke

I, the undersigned Notary Public of the County and State aforesaid, certify that Terry Dean Hollar and Joye T. Hollar personally appeared before me this day and acknowledged the due execution of this foregoing instrument for the purposes expressed herein. Witness my hand and Notarial stamp or seal, this 10th day of April, 2024.



My Commission Expires: May 29 2024

Tiffany M. Holland (Notary Public Signature)

State of North Carolina - County of _____

I, the undersigned Notary Public of the County and State aforesaid, certify that _____ personally came before me this day and acknowledged the he/she is the _____ of _____ corporation / limited liability corporation / general partnership / limited partnership (strike through the inapplicable), and that by authority duly given and as the act of such entity he /she signed the foregoing instrument in its name on its behalf as its act and deed. Witness my hand and Notarial stamp or seal, this _____ day of _____, 20_____.

My Commission Expires: _____

Notary Public

FILED Catawba County
on Nov 26, 2019 at 02:03:00 pm
Exchange Tax \$0.00 (FS)
INST. #21216
DONNA HICKS SPENCER,
Register of Deeds
BK 03541 Pg 0063-0064

GENERAL WARRANTY DEED

Revenue \$ none
Tax Parcel ID No. 3723-13-03-2690 _____ Verified by _____ County
on the _____ day of _____, 20____ By: _____

✓ Mail/Box to: Thomas N. Hannah, Attorney, P.O. Drawer 1989, Hickory, NC 28603
This instrument was prepared by: Thomas N. Hannah PO Drawer 1989, Hickory, NC 28603
Brief description for the Index: LRK (REID) 55016

THIS DEED, made this the 25th day of November, 2019, by and between

GRANTOR: Bright Star Properties, LLC, a South Carolina Limited Liability Company, d/b/a Bright Star Properties NC, LLC
whose mailing address is: P.O. Box 2570, Hickory, NC 28603
(herein referred to collectively as Grantor) and

GRANTEE: Terry Dean Hollar
whose mailing address is : 65 River Pointe Drive, Hickory, NC 28601
(herein referred to collectively as Grantee) and

[include mailing address for each Grantor and Grantee; marital status of each individual Grantor and Grantee; and type of entity, e.g., corporation, limited liability company, for each non-individual Grantor and Grantee.]

WITNESSETH:

For valuable consideration from Grantee to Grantor, the receipt and sufficiency of which is hereby acknowledged, Grantor hereby gives, grants, bargains, sells and conveys unto Grantee in fee simple, subject to the Exceptions and Reservations hereinafter provided, if any, the following described property located in the City of _____ County of Catawba, State of North Carolina, more particularly described as follows:

(2326 12th Ave. Dr. NE, Hickory, NC)
BEGINNING at a RR Spike located in the margin of the right of way of 11th Avenue NE, running thence, North 51° 04' 14" West 169.61 feet to a PK nail in the center of the right of way of 11th Avenue, NE, the corner of Karl F. Smink property; thence along the of Karl F. Smink and Carmen E. Archer property N. 29° 54' 03" East 431.62 feet to a 0.04' rebar 'n the margin of the right of way of 12th Ave. Dr. NE, continuing thence along 12th Ave. Dr. NE South 82° 22' 25" East 177.04 feet to a 0.04' rebar; thence continuing along the Jose D. Ventura property South 29° 30' 00" West 525.35 feet to the Point of BEGINNING, containing 1.821 acres more or less as shown on a survey entitled "Terry D. Hollar and wife, Joye T." prepared by James M. Bradshaw, Registered Surveyor, dated September 15, 2000.

Revised December 17, 2009

✓

The Attorney preparing this instrument has performed no title examination and gives no title opinion.

Said property having been previously conveyed to Grantor by instrument(s) recorded in Book 3231, Page 0473, and being 0064 reflected on plat(s) recorded in Map/Plat Book _____, page/slide _____.

All or a portion of the property herein conveyed includes or X does not include the primary residence of a Grantor.

TO HAVE AND TO HOLD unto Grantee, together with all privileges and appurtenances thereunto belonging, in fee simple, subject to the Exceptions and Reservations hereinafter and hereinabove provided, if any.

And Grantor hereby warrants that Grantor is seized of the premises in fee and has the right to convey same in fee simple, that title is marketable and is free and clear of encumbrances other than as set forth herein, and that Grantor will forever warrant and defend the title against the lawful claims of all persons or entities whomsoever.

This conveyance is made subject to the following Exceptions and Reservations:

All references to Grantor and Grantee as used herein shall include the parties as well as their heirs, successors and assigns, and shall include the singular, plural, masculine, feminine or neuter as required by context.

IN WITNESS WHEREOF, the Grantor has duly executed the foregoing as of the day and year first above written.

Bright Star Properties, LLC


Terry Dean Hollar, Member/Manager (SEAL)

State of NORTH CAROLINA
County of CATAWBA

(Official/Notarial Seal)

I, Ella Roberts, a Notary Public in and for the aforesaid County and State, certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document: Terry Dean Hollar, Member/Manager of Bright Star Properties, LLC a South Carolina Limited Liability Company dba Bright Star Properties NC, LLC, GRANTOR.



Date: 11-25-2019


Notary Public

My Commission Expires:
8-19-2022
CR



- LEGEND
- DB = Dead Book
 - Pg = Page
 - PP = Power Pole
 - MNS = Mag Nail Set
 - MNF = Mag Nail Found
 - MH = Man Hole
 - EIP = Existing Iron Pipe
 - EIR = Existing Iron Rod
 - NIR = New Iron Rod
 - Dwg = Dwelling
 - Bldg = Building
 - C/L = Center Line
 - R/W = Right of Way
 - CM = Concrete Marker
 - CP = Computer Point



NCGS "RIDGE" NORTH 735,478.40 EAST 1,316,564.56
SCALE FACTOR .99991016

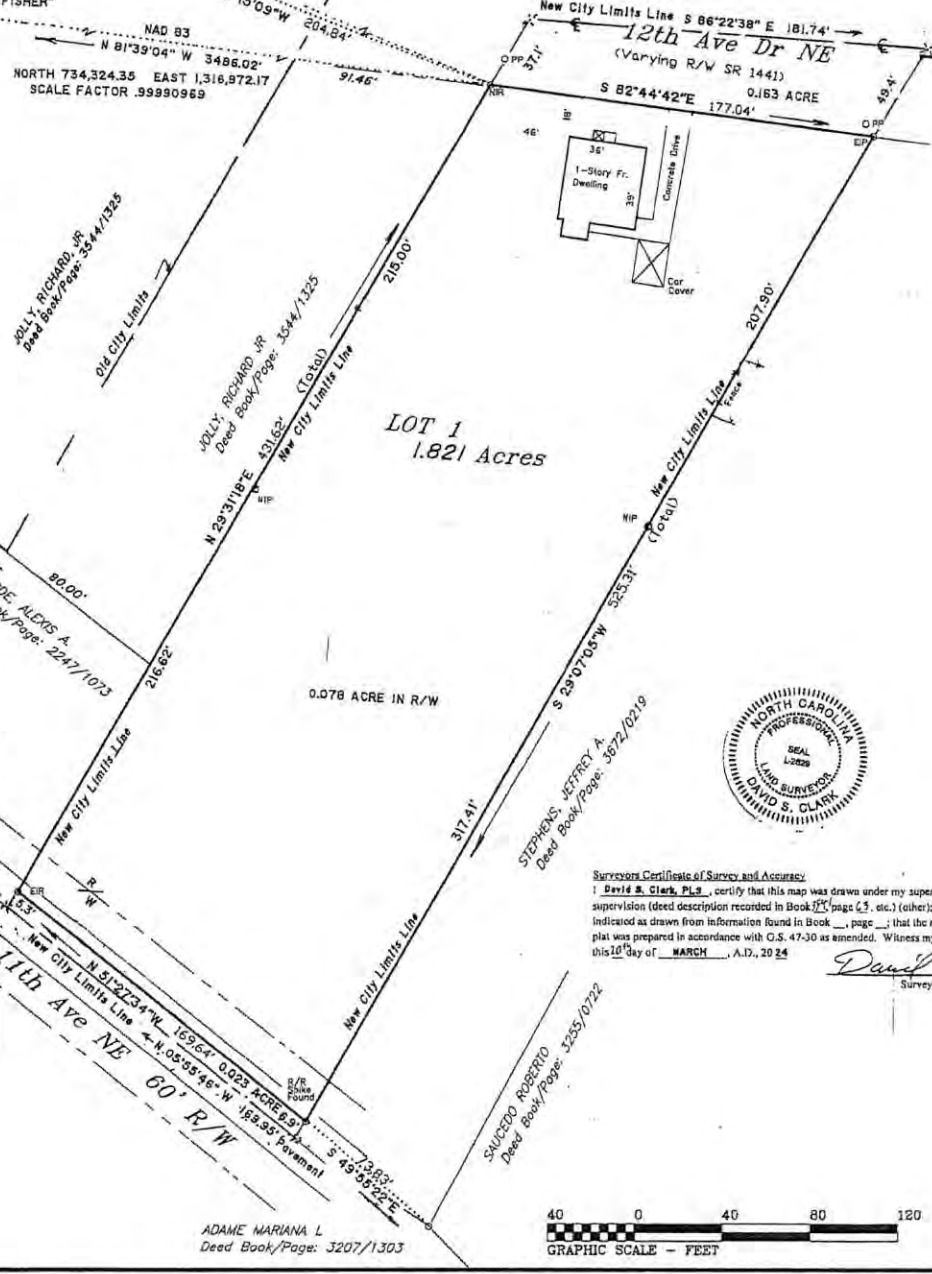
NCGS "FISHER" NORTH 734,324.35 EAST 1,316,972.17
SCALE FACTOR .99890969

Plat Review Office Certificate

State of North Carolina
County of _____

I, _____ Review Officer of _____ County, certify that the map or plat to which this certification is affixed meets all statutory requirements for recording.

Review Officer _____ Date _____



G.S. 47-30 (b) THE PROVISIONS OF THIS SECTION SHALL NOT APPLY TO BOUNDARY PLATS OF AREAS ANNEXED BY MUNICIPALITIES NOR TO PLATS OF MUNICIPAL BOUNDARIES, WHETHER OR NOT REQUIRED BY LAW TO BE RECORDED.

NORTH CAROLINA CATAWBA COUNTY

THE PROPERTY ON THIS PLAT WAS DULY APPROVED FOR ANNEXATION BY THE CITY COUNCIL OF THE CITY OF HICKORY ON THE _____ DAY OF _____, 20____, AND AN ORDINANCE DULY ADOPTED AND CERTIFIED AND THIS MAP IS HEREBY ORDERED TO BE RECORDED IN ACCORDANCE WITH NCGS 180A-26.

BY: _____ MAYOR, CITY OF HICKORY

ATTEST: _____ CITY CLERK

DATE: _____

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

I, A NOTARY PUBLIC OF THE COUNTY AND STATE AFORESAID, CERTIFY THAT _____ PERSONALLY APPEARED BEFORE ME THIS DAY AND ACKNOWLEDGED THAT SHE IS CITY CLERK OF THE CITY OF HICKORY, A NORTH CAROLINA MUNICIPAL CORPORATION, AND THAT BY AUTHORITY DULY GIVEN AND AS THE ACT OF THE CITY COUNCIL OF THE CITY OF HICKORY, THE FOREGOING INSTRUMENT WAS SIGNED IN ITS NAME AND BY ITS MAYOR, SEALED WITH ITS CORPORATE SEAL, AND ATTESTED BY HER AS ITS CLERK.

WITNESS MY HAND AND OFFICIAL STAMP OR SEAL THIS _____ DAY OF _____, 20____.

NOTARY PUBLIC _____

MY COMMISSION EXPIRES _____



Surveyors Certificate of Survey and Accuracy

I, David S. Clark, PLS, certify that this map was drawn under my supervision from an actual survey made under my supervision (deed description recorded in Book 3672, page 0219, etc.) (other); that the boundaries not surveyed are clearly indicated as drawn from information found in Book 3672, page 0219; that the ratio of precision as calculated is 1:2500; that this plat was prepared in accordance with G.S. 47-30 as amended. Witness my original signature, registration number and seal this 18 day of MARCH, A.D., 2024

David S. Clark, PLS
Surveyor, Registration Number L-2829

Satellite Annexation by the
City of Hickory
Known as the
Terry Hollar Property.

2326 12TH AVE DR NE, Hickory NC 28601
Hickory Township, Catawba County, North Carolina
PIN 372313032690 Drawn By DSC
DB 3541 pg 63 FB 170 pg 42
Date 03-20-2024 Scale 1"=40'

David S. Clark
Surveyor, PA
1920 32nd Street NE, Hickory NC, 28601
828-256-6400 www.clarksurveying.com



VOLUNTARY CONTIGUOUS ANNEXATION ANALYSIS

APPLICANT: Terry D. Hollar

AGENT: Terry D. Hollar

PROPERTY LOCATION: 2326 12th Avenue Drive NE

PIN: 372313032690

REQUESTED ACTION: The request is for a voluntary contiguous annexation.

WARD: If annexed, this property will be located in Ward 3 (Councilman Seaver).

ACREAGE: 1.821 acres

DEVELOPMENT POTENTIAL: The property is currently occupied by a single family residence and located within the City of Hickory's extraterritorial jurisdiction. The property is zoned R-4 Residential, which permits residential development at 12 dwelling units per acre for attached and detached single-family residential and 20 dwelling units per acre for multi-family residential. Given its size, the property could theoretically be redeveloped to accommodate up to 36 dwelling units.

TAX VALUE: The current tax value of the property is \$158,800.00. If annexed, the property would generate \$722.54 in additional tax revenues.

POPULATION INCREASES: The property is occupied by one single-family residence. The household size within Hickory is estimated to be 2 to 3 occupants. This estimate is based upon the U.S. Census Bureau's residential household size estimate for single-family dwellings in the city, which is 2.35 persons per household.

SCHOOL DISTRICTS: The property is located within the jurisdictional area of the Catawba County School System, and located in the following school districts:

School Type	School District	Student Multiplier Per Dwelling	Number of Potential or Existing Dwelling Units	Potential Additional Students
Elementary	St. Stephens	0.32	1	0-1
Middle	Arndt	0.09	1	0-1
High	St. Stephens	0.14	1	0-1

**Note: The student multipliers above reflect estimates and are for single-family dwellings only.*

SURROUNDING ZONING AND LAND USE (See Maps 2 & 3):

- **North:** The property is zoned R-4 Residential occupied by St. Stephens Lutheran church and school.
- **South:** The property is zoned R-4 Residential and occupied by a single family home.
- **East:** The property is zoned R-24 Residential and occupied by a single-family home.
- **West:** The property is zoned R-4 Residential and is occupied by a single family home.

UTILITY SERVICE: Water and sewer are both available on the north side of 12th Avenue Drive NE. The property owner may be responsible for installing a low pressure sewer pump depending on grade. If the property is intended to be subdivided, water and sewer will need to be extended to all parcels.

ACCESS: Access to the subject property is from 12th Avenue Drive NE and 17th Avenue NE, which are maintained by the North Carolina Department of Transportation (SR 1441 and 1442, respectively).

DISTANCE FROM CITY LIMITS (See Map 1): The property is contiguous to the city boundary along its northern boundary. Annexation statutes deem annexations to be contiguous if the area directly abuts the city boundary or is separated from the municipal boundary by the width of a street, street ROW, creek or river, railroad ROW, or lands owned by the state of North Carolina. (NCGS§ 160A-31(f))

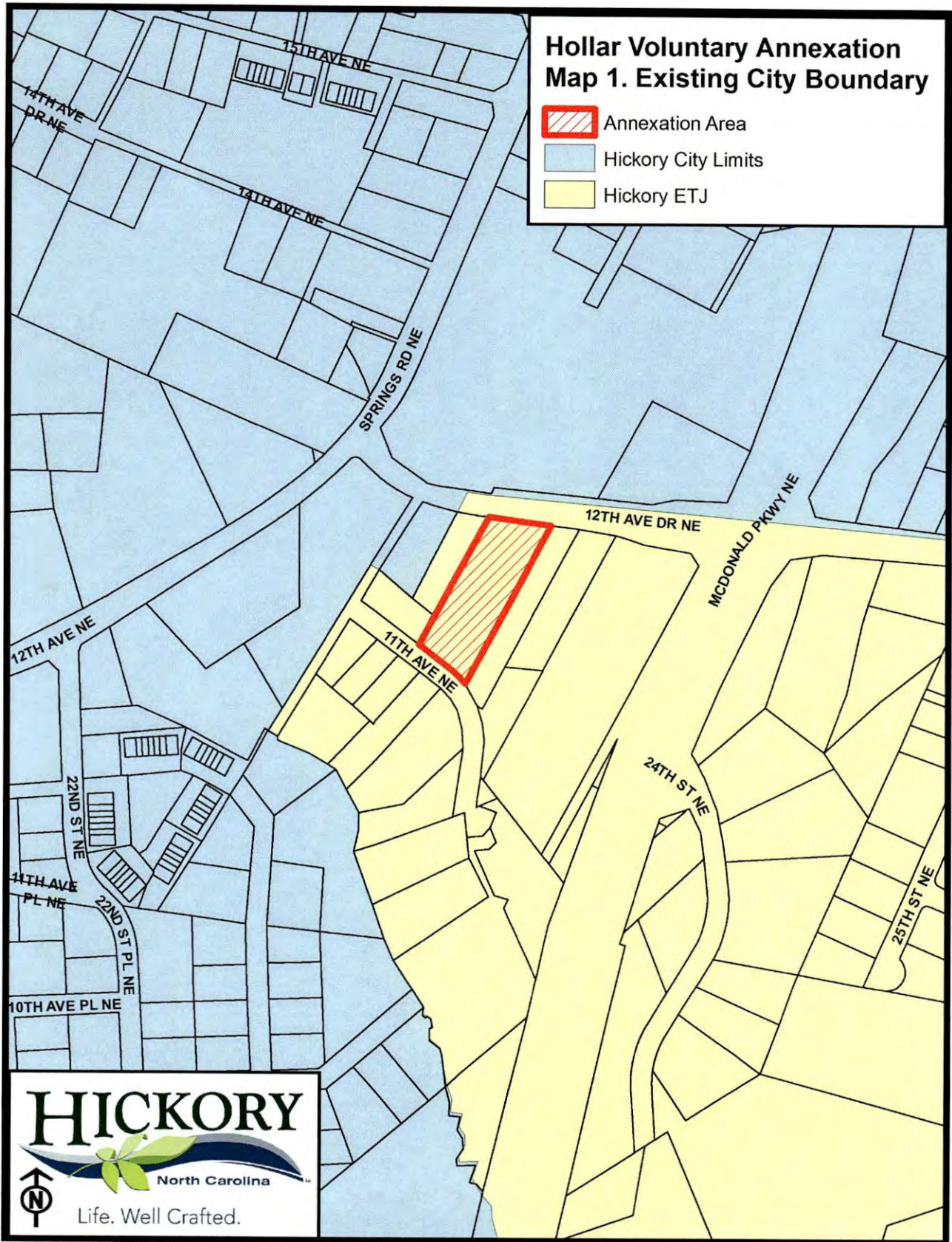
STAFF COMMENTS:

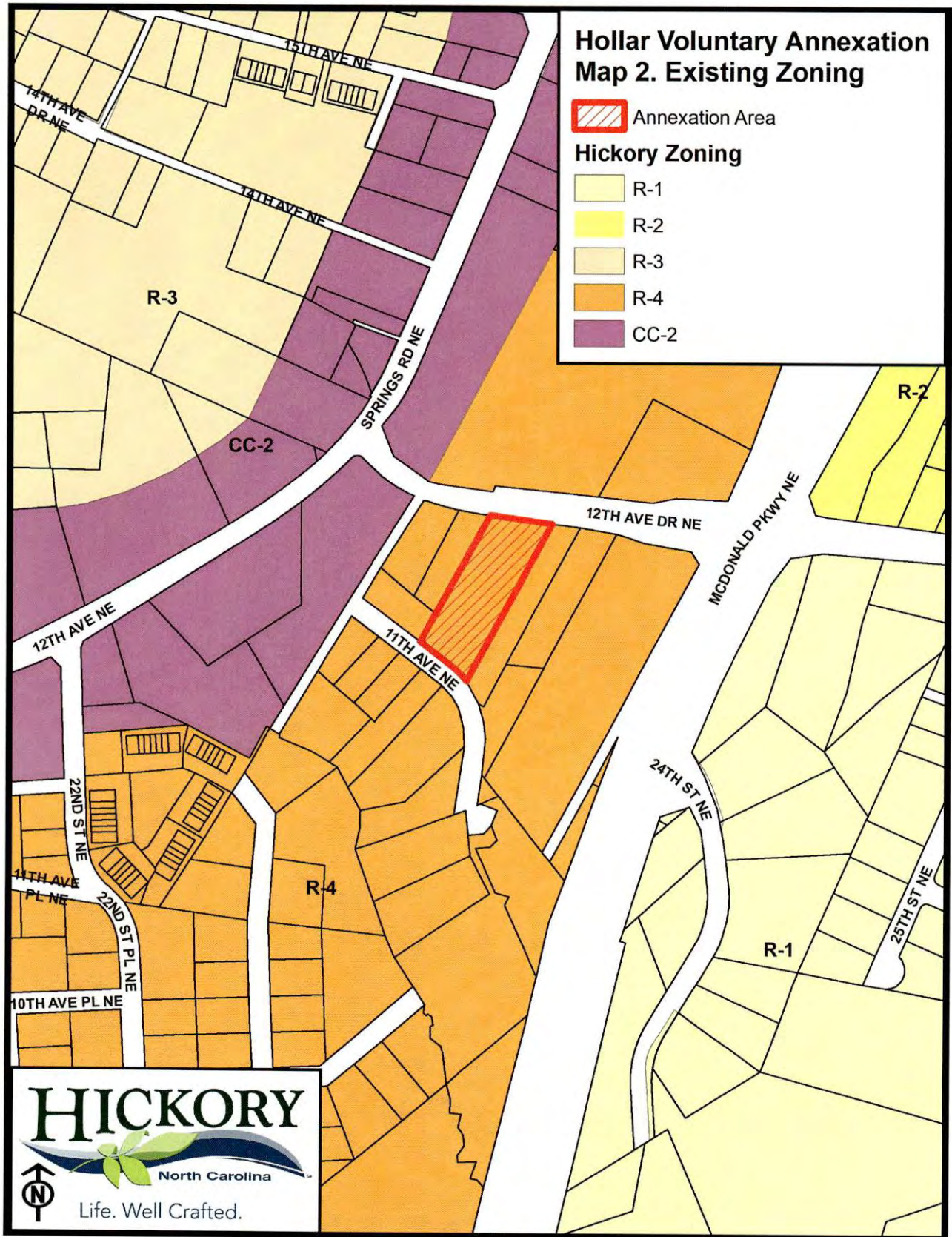
- **Fire:** The annexation of this property, which is currently adjacent to HFD Station 2's response area, would not adversely affect the fire department's operations.
- **Police Department:** Annexation would not adversely affect the police department. The property, upon annexation, will be in Baker PACT.
- **Engineering:** No objections.
- **Planning:** No objections.
- **Public Services:** No objections.
- **Public Utilities:** Water and sewer are both available on the north side of 12th Avenue Driver NE. The property owner may be responsible for installing a low pressure sewer pump depending on grade. If the property is intended to be subdivided, water and sewer will need to be extended to all parcels.
- **Legal:** No objections.
- **City Manager's Office:** No objections.

STAFF RECOMMENDATION: Upon evaluation staff has found the following:

1. The voluntary contiguous annexation petition complies with applicable statutes regarding the voluntary annexation of contiguous properties.
2. Adequate public services are available in sufficient quantities to properly serve the property, subject to the comments provided above.
3. The annexation of the property will not cause available public services to fall below acceptable levels.

Based upon the findings provided above, staff recommends City Council approve the voluntary contiguous annexation petition.







Prepared by: Arnita Dula, Deputy City Attorney, City of Hickory
P.O. Box 398, Hickory, NC 28603-0398

ANNEXATION ORDINANCE NO. 503

VOLUNTARY ANNEXATION ORDINANCE (CONTIGUOUS)

Terry Dean Hollar

AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE
CITY OF HICKORY, NORTH CAROLINA, PURSUANT TO
GENERAL STATUTES 160A-58.1, AS AMENDED (CONTIGUOUS)

WHEREAS, the City Council of the City of Hickory desires to annex the area described herein, under G.S. 160A-58.1, as amended; and

WHEREAS, the City Council has by resolution directed the City Clerk to investigate the sufficiency of said annexation; and

WHEREAS, the City Clerk has certified to the sufficiency of said request, and a public hearing on the question of this annexation was held in the Council Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina, at 6:00 p.m. on the 21st day of May, 2024; and

WHEREAS, the City Council of the City of Hickory further finds that the area described therein meets the standards of G.S. 160A-58.1(b), to wit:

- a. The nearest point on the proposed satellite corporate limits is not more than three miles from the corporate limits of the City of Hickory.
- b. No point on the proposed satellite corporate limits is closer to another city than to the City of Hickory.
- c. The areas described are so situated that the City will be able to provide services on the same basis within the proposed satellite corporate limits that it provides within the primary corporate limits.
- d. No subdivision, as defined in G.S. 160A-376, will be fragmented by this proposed annexation.

WHEREAS, the City Council of the City of Hickory does hereby find as a fact that said petition has been signed by all the owners of real property in the area who are required by law to sign and all other requirements of G.S. 160A-58.1 as amended, have been complied with; and

WHEREAS, the City Council further finds that the annexation is otherwise valid, and that the public health, safety, and welfare of the City of Hickory and of the areas proposed for annexation will be best served by annexing the area herein described.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HICKORY, NORTH CAROLINA:

Section 1. By virtue of the authority granted by G.S. 160A-58.2, as amended, the following-described contiguous territory is hereby annexed and made a part of the City of Hickory as of the 31st day of May, 2024:

**Contiguous Annexation
by the City of Hickory
of the property known as
Terry Hollar Property**

That certain parcel or tract of land lying and being about 2.9 miles east northeast of the center of the City of Hickory. Bounded on the north by the right-of-way of 12th Avenue Drive NE (S.R. 1441); on the east by the lands of Jeffrey A. Stephens as described in Deed Book 3672 at Page 219; on the south by the 60' right-of-way of 11th Avenue NE; on the west by the lands of Alexis A. Valverde as described in Deed Book 2247 at Page 1073, Richard Jolly, Jr. as described in Deed Book 3544 at Page 1325 and more particularly described as follows, to wit.

Beginning at an iron rod on the south right-of-way of 12th Avenue NE, said rod being located a N.C. grid bearing and distance of South 81 degrees 39 minutes 04 seconds East 3,486.02 feet (NAO 83/2001) from NCGS Monument "Fisher",

said monument having N.C. grid coordinates (NAO 83/2001) of N 734,324.35, E 1,316,872.17, the northeast corner of the lands of Richard Jolly, Jr. as described in Deed Book 3544 at Page 1325 and running thence as new City of Hickory city limits lines the following calls: North 29 degrees 31 minutes 18 seconds East 37.1 feet to a point in the centerline of 12th Avenue Drive NE; thence, with the centerline 12th Avenue Drive NE, South 86 degrees 22 minutes 38 seconds East 181.74 feet to a point in the centerline of 12th Avenue Drive NE; thence, leaving said centerline, South 29 degrees 07 minutes 05 seconds West 49.4 feet to an iron pipe on the south right-of-way of 12th Avenue Drive NE, the northwest corner of the lands of Jeffrey A. Stephens as described in Deed Book 3672 at Page 219; thence with the west line of Stephens the same bearing, a distance of 207.90 feet to an iron pipe in the west line of Stephens; thence, continuing with the west line of Stephens the same bearing, a distance of 317.41 feet to a railroad spike in 11th Avenue NE, the southwest corner of Stephens; thence, the same bearing, 6.9 feet to a point in the centerline of 11th Avenue NE; thence, with the centerline of 11th Avenue NE, North 05 degrees 55 minutes 46 seconds West 169.95 feet to a point in the centerline of 11th Avenue NE; thence, leaving said centerline, North 29 degrees 31 minutes 18 seconds East 5.3 feet to an iron rod, the southeast corner of the lands of Alexis A. Valverde as described in Deed Book 2247 at Page 1073; thence, with the east line of Valverde and Jolly the same bearing, a distance of 216.62 feet to an iron pipe in the east line of Jolly; thence, continuing with the east line of Jolly the same bearing, a distance of 215.00 feet to the point of beginning. Containing 2.085 acres more or less.

This description was drawn from a plat by David S. Clark, PLS L-2829, titled "Satellite Annexation by the City of Hickory known as the Terry Hollar Property" and dated March 20, 2024.

Section 2. Upon and after the 31st day of May 2024, the above-described territory and its citizens and property shall be subject to all debts, laws, ordinances, and regulations in force in the City of Hickory and shall be entitled to the same privileges and benefits as other parts of the City of Hickory. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10, as amended.

Section 3. The newly annexed territory described herein shall become part of Ward No. 3 of the City of Hickory.

Section 4. The Mayor of the City of Hickory shall cause to be recorded in the Office of the Register of Deeds of Catawba County, and in the Office of the Secretary of State at Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 hereof, together with duly certified copy of this Ordinance. Such a map shall also be delivered to the County Board of Elections, as required by G.S. 163-288.1.

ADOPTED THIS 21st DAY OF MAY, 2024.

Hank Guess, Mayor

Warren Wood, City Manager

Approved As To Form:

Arnita M. Dula, Deputy City Attorney

CERTIFICATION OF ANNEXATION ORDINANCE

NORTH CAROLINA
CATAWBA COUNTY
CITY OF HICKORY

I, Debbie D. Miller, City Clerk of the City of Hickory, North Carolina, do hereby certify that the Annexation Ordinance of Terry Dean Hollar was adopted at a regular meeting of the Hickory City Council held on May 21, 2024, and that said Ordinance is in full force and effective on May 31, 2024.

City Clerk

NORTH CAROLINA
CATAWBA COUNTY

I, _____, a Notary Public in and for said County and State, do hereby certify that Debbie D. Miller, City Clerk for the City of Hickory, personally appeared before me this date and acknowledged the due execution of the foregoing certificate for the purposes therein expressed.

Witness my hand and notarial seal, this _____ day of _____, 2024.

Notary Public

My Commission Expires: _____

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Dave Leonetti, Business and Community Development Manager

Contact Person: Dave Leonetti, Business and Community Development Manager

Date: May 9, 2024

Re: Conduct Public Hearing to Consider and Economic Development Agreement with Steel Warehouse of North Carolina, LLC and Approve Agreements with NC Department of Commerce, Steel Warehouse of North Carolina, LLC, and the Western Piedmont Council of Governments to Accept and Administer a Building Reuse Grant for 2441 and 2511 Highland Avenue NE

REQUEST

Staff requests City Council conduct a Public Hearing to consider and Economic Development Agreement with Steel Warehouse of North Carolina, LLC and approve agreements with NC Department of Commerce, Steel Warehouse of North Carolina, LLC, and the Western Piedmont Council of Governments to accept and administer a Building Reuse Grant for 2441 and 2511 Highland Avenue NE.

BACKGROUND

Steel Warehouse plans to redevelop a complex of buildings located at 2441 Highland Avenue NE. They plan to invest at least \$27,000,000 and create a minimum of 58 new jobs by the end of 2027. This property is further identified by Catawba County GIS PINs 372317102257 and 372205192258. The company plans to use the property as a steel processing facility. Steel Warehouse proposes to create 58 jobs that pay above the median wage for Catawba County.

The Building Reuse Grant is offered by the North Carolina Department of Commerce to provide funding to businesses looking to occupy existing buildings. The total funding amount is based on a formula involving the number and type of jobs created. The program pays 50% of eligible rehabilitation costs up to a maximum of \$500,000. They are eligible for and have been awarded \$240,000 in building reuse grant funding from the NC Department of Commerce. The grant requires a five percent match from the City of Hickory and Catawba County, which amounts to \$12,000 (\$6,000 each).

ANALYSIS

Steel Warehouse plans to invest at least \$27,000,000 in improvements and equipment at the properties located at 2411 and 2511 Highland Avenue NE. They plan to redevelop several buildings on the site and construct a railroad spur on the property.

There are four agreements that must be approved by the City Council to move forward with the project. The first is the joint economic development agreement with the company that includes property tax incentives for the increase in the tax base attributable to the project. The agreement would rebate 50% of the increase in the property tax base for five years up to a maximum of \$336,131. No payments are made until the investments are made and the property taxes are paid by the company.

The second agreement contains the agreement with the NC Department of Commerce which describes the requirements for both the City, the property owner, and business to receive the funding. In addition, this agreement contains commitments from the property owner to make the improvements and create the jobs.

There is an additional agreement between the property owner and the City that states that the City will request funding in two installments. The first request will not be made until the building improvements are completed and at least 15 of the required 30 jobs have been created and maintained for a period of six months. The amount of this first payment would be proportionate to the amount of jobs created. The final payment would be made once all the required jobs are created and maintained for a period of six months. This minimizes the risk to the City and property owner in the event Steel Warehouse fails to create the required jobs. Note that the

building reuse grant has a lower job threshold since the grant is for 24 months. The remaining jobs would be created in years three to five of the project.

The final agreement is an agreement with the Western Piedmont Council of Governments to administer the grant on behalf of the City for \$12,000. This qualifies as the City's required 5 percent match for the grant. Catawba County will pay half of that amount (\$6,000).

RECOMMENDATION

Staff requests City Council conduct a Public Hearing to consider and approve an Economic Development Agreement with Steel Warehouse of North Carolina, LLC and approve agreements with NC Department of Commerce, Steel Warehouse of North Carolina, LLC, and the Western Piedmont Council of Governments to accept and administer a Building Reuse Grant for 2441 and 2511 Highland Avenue NE.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE: 610-5018-558.6513

Reviewed by:

Dave Leonetti

Initiating Department Head

[Signature]

Asst. City Manager R. Miller

[Signature]

Finance Officer, M. Miller

13/24

5/31/24

Date

5/13/24

Date

5/13/24

Date

[Signature]

Deputy City Attorney, A. Dula

[Signature]

Asst. City Manager, R. Beasley

[Signature]

Asst. City Manager, Y. Fox

Date

5/16/24

Date

5/15/24

Date

Recommended for approval and placement on _____ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

[Signature]

City Manager, W. Wood

5.15.24

Date

**STATE OF NORTH CAROLINA
COUNTY OF CATAWBA**

**CITY OF HICKORY AND
STEEL WAREHOUSE OF
NORTH CAROLINA LLC
ECONOMIC DEVELOPMENT
AGREEMENT**

This **JOINT ECONOMIC DEVELOPMENT AGREEMENT** (this "Agreement") is made and entered into this ___ day of _____, 2024, by and between **CITY OF HICKORY** (the "City"), a North Carolina body politic, having a mailing address of **76 N. Center Street, Hickory, NC 28601**, and **Steel Warehouse of North Carolina LLC** ("Company" or "Steel"), a Limited Liability Company organized and existing under the laws of the State of North Carolina, having a mailing address of **2722 W. Tucker Drive, South Bend, Indiana 46619**.

WITNESSETH:

WHEREAS, North Carolina General Statute (NCGS) §158-7.1(a) authorizes City to make appropriations for the purpose of aiding and encouraging the location of business enterprises and industrial and commercial businesses in or near its boundaries, and Steel is an industrial steel processor within the meaning of NCGS §158-7.1; and

WHEREAS, Steel intends to construct, up-fit and/or equip existing manufacturing facilities ("Improvements") at 2441 Highland Avenue NE, Hickory, NC 28601, and 2511 Highland Avenue NE, Hickory, NC 28601 (Parcel ID # 372205192258) (the "Property"), at a cost of not less than Twenty Seven Million Dollars (\$27,000,000) and intends to create a minimum of fifty eight (58) jobs at the facility, with the Improvements to be made and new jobs to be created between January 1, 2024 and December 31, 2027 (the "Improvement Period"); and

WHEREAS, Steel expects to be a community-oriented company and intends to participate in philanthropy, community events and programs intended to increase the health and happiness of their employees and the greater community as a whole and to consider participation in the Catawba County Economic Development Corporation's corporate Committee of 100 501(c)(3) non-profit sponsorship; and

WHEREAS, Steel is encouraged, to the reasonable extent possible, to purchase local services and supplies, such as, but not limited to, locally produced products, local hotel, motel and hospitality services, local building and construction services, and other products and services.

WHEREAS, the City Council of the City of Hickory has determined that the appropriations to be created pursuant to this Agreement increase the taxable property, employment, industrial output, and business prospects of the City of Hickory; and

WHEREAS, the City Council of the City of Hickory has approved this Agreement after having conducted a public hearing in compliance with NCGS §158-7.1 and finding that the appropriations to be created pursuant to this Agreement will stimulate the local economy, promote business, and result in the creation of a substantial number of jobs in the City that pay at or above the overall average annual wage in Catawba County.

NOW, THEREFORE, in consideration of the promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION I – STEEL WAREHOUSE

1. On or before June 30, 2024, the Company shall deliver to City a certificate confirming that Steel owns or has the right to acquire the Property and that the installation of the Improvements by the Company will result in the creation, maintenance and availability of a minimum of fifty (58) jobs to the facility in Hickory (“Facility”) on or before December 31, 2027 and that the overall average annual wage for these 58 jobs at the Facility will equal or exceed \$59,566 for each year required under this Agreement. The Company affirms its understanding of, and agrees to comply with, the Calendar of Responsibilities as outlined in Exhibit A, attached hereto and incorporated herein by reference. Such certificate shall be substantially in the form of the certificate attached to this Agreement as Exhibit A.
2. In order to induce City to enter into this Agreement and to appropriate and expend monies for payment of Economic Development Incentive Grants, the Company represents and warrants that, as of the execution date hereof:
 - a. The Company is qualified to do business in the State of North Carolina, has a place of business within the State of North Carolina, is registered with the North Carolina Secretary of State, and is in good standing and authorized to do business in the State of North Carolina;
 - b. The Company has the corporate power and authority to own or lease its properties and assets and to carry on its business as now being conducted and has the corporate power and authority to execute and perform this Agreement;
 - c. The undersigned representative of the Company has the right, authority and duty to execute this Agreement in the name and on behalf of the Company;
 - d. This Agreement (i) is the valid and binding instrument and agreement of the Company, enforceable against the Company in accordance with its terms; (ii) does not violate any order of any court or other agency of government binding on the Company, the charter documents or operating agreement of the Company or any provision of any indenture, agreement or other instrument to which the Company is a party; and (iii) does not conflict with, result in a breach of, or constitute an event of default, or an event which, with notice or lapse of time, or both, would constitute an event of default, under any indenture, agreement or other instrument to which the Company is a party;
 - e. There is no suit, claim, action or litigation pending, or to the knowledge of the Company threatened, relating to the Improvements, the use of the Improvements for their intended purpose, or any other matter contained herein; and
 - f. The Company is not engaged in a business that would be exempt from property taxes.

3. Steel shall make or cause to be made Improvements to the Property, as applicable, during the Improvement Period. Cumulative expenditures shall be inclusive of new construction and/or property renovations, machinery, equipment, furniture, fixtures and computer equipment. Costs for the Improvements to the Property, made or caused to be made by the Company for capital equipment and trade fixtures used to assemble, manufacture, and process business-related goods and services will meet or exceed Twenty Seven Million Dollars (\$27,000,000) by December 31, 2027, all of which will qualify and result in additional value for ad valorem tax purposes as determined by the Catawba County Tax Office. The Company agrees to maintain in place, in good condition ordinary wear and tear excepted, said Improvements at least through December 31, 2030 ("Investment Maintenance Period") if the Company elects 2026 as the initial Grant Year (GY1), or through at least December 31, 2031 if the Company elects 2027 as GY1, as provided in Paragraph 6.d.
4. Steel shall create a minimum of fifty eight (58) new jobs at the Facility by December 31, 2027 and maintain these jobs as defined herein at least through December 31, 2030 ("Jobs Maintenance Period") if the Company elects 2026 as the initial Grant Year (GY1), or through at least December 31, 2031 if the Company elects 2027 as GY1, as provided in Paragraph 6.d. A job is defined as employment that provides sixteen hundred (1600) hours or more of work in any twelve (12) month period.

SECTION II – CITY

5. In order to induce the Company to enter into this Agreement and to appropriate and expend monies for payment of Economic Development Incentive Grants, City represents and warrants, to the best of City's knowledge, as of the execution date hereof:
 - a. City is a North Carolina body politic corporate in nature and existing under North Carolina law;
 - b. City has the power and authority to carry on its business as now being conducted and has the power and authority to execute and perform this Agreement;
 - c. The undersigned authorized representative of City has the right, authority and duty to execute this Agreement in the name and on behalf of City;
 - d. This Agreement (i) is the valid and binding instrument and agreement of City, enforceable against City in accordance with its terms; (ii) does not violate any order of any court or other agency of government binding on City, the charter documents of City or any provision of any indenture, agreement or other instrument to which City is a party; and (iii) does not conflict with, result in a breach of, or constitute an event of default, or an event which, with notice or lapse of time, or both, would constitute an event of default, under any indenture, agreement or other instrument to which City is a party; and
 - e. There is no suit, claim, action or litigation pending, or to the knowledge of City threatened, relating to the Improvements, the use of the Improvements for their intended purpose, or any other matter contained herein.

6. Payment of economic development incentives to Company for Real and Personal Property Investments and for Job Creation in accordance with this Agreement shall be made as follows:

- a. In consideration of the Company's commitment to Investment and Job Creation, City agrees to provide annual payments in accordance with section 6.c. and d. (each an "Annual Incentive Payment") and subject to the cap set forth in section 6.b. in an amount equal to Fifty percent (50%) of the ad valorem taxes associated with the additional assessed value of real and personal property made or caused to be made by the Company (exclusive of rolling stock) in excess of the assessed value of the Property as of January 1, 2023, which is \$1,581,200 ("Base Value"), as paid to the City for a five (5) year period (Grant Year (GY) 1 through GY5) commencing with the taxes assessed on January 1, 2025 or 2026, and January 1 of the succeeding four (4) years for Improvements made or caused to be made by the Company at the Properties, as applicable, pursuant to Paragraphs 3 and 4 with maximum payments shown in the chart below.
- b. In no event will the cumulative Annual Incentive Payments by City exceed Three Hundred Thirty Six Thousand One Hundred Thirty One (\$336,131) for the term of the Agreement as provided in the chart below.

Estimated Payment Period	Grant Percentage	Maximum Payment By City by Year	
GY1	50%	\$57,216	
GY2	50%	\$65,179	
GY3	50%	\$69,729	
GY4	50%	\$72,044	
GY5	50%	\$72,044	
Total		\$336,131	

- c. Said amounts shall be payable annually, subject to the Company being in compliance with all requirements of the Agreement, beginning in GY1 and payable through GY5.
- d. No later than January 31, 2025, the Company will notify the City whether it wishes GY1 to be 2026 or 2027. If the Company does not make any such notification the default year for GY1 will be 2026 based on taxes assessed on January 1, 2025. Upon payment of ad valorem taxes by the Company to the City for each grant year 2026 (or 2027) through 2030 (or 2031 by election) and certification of Improvements and Job Creation submitted by the Company to the City by March 5th beginning in the selected calendar year in the form or substantially in the form of Exhibit B, attached and incorporated herein by reference, the City will, within ninety (90) days, pay to the Company an amount calculated by multiplying the corresponding grant percentages outlined in section 6.b. times the total ad valorem tax revenue received by the City attributable to the value of the Improvements made by the Company pursuant to this Agreement in excess of Base Value of the Property, which the parties agree is One Million Five Hundred Eighty One Thousand Two Hundred Dollars (\$1,581,200). The Base Value will be deducted

from the total assessed value of building and land in the determination of the value of net new Improvements made by the Company in the calculation of economic development incentives.

- e. This same process will be followed by City and Company in the four (4) following years, after Steel selects GY1.
- f. Company shall furnish to City on or before March 5th of each calendar year, following and corresponding to the previous July 1st when taxes are billed, the certification required by Paragraph 6.d. and proof of payment of all applicable taxes. If requested, Company shall provide City, at City's expense, independent certification as to such expenditures and number of existing jobs.

SECTION III – FORCE MAJEURE, EVENTS OF DEFAULT AND REMEDIES

- 7. Force Majeure. Notwithstanding the provisions of Paragraph 8, in the event Company is unable to meet the requirements of this Agreement as a result of (i) an event of force majeure, including but not limited to fires, explosions, acts of God, acts of public enemy, insurrections, riots, terrorism, (including cyber terrorism) embargoes, labor disputes, including strikes, lockouts and job actions, or boycotts; pandemic, epidemic, or other public health emergency; (ii) the inability to obtain the governmental permits or approvals (including zoning) necessary for the acquisition of the Property, construction of the Improvements, or undertaking and operating the Improvements after a good faith effort to obtain same has been made; (iii) shortages of materials or energy; (iv) changes in laws; or (v) other causes beyond the control of and arising without the fault or negligence of Company; then, in such event, the Improvement Period shall be extended for a period equal to the delay caused by any of the foregoing events so long as Company shall (a) have furnished City on a timely basis, upon the occurrence of such event, a notice thereof, and (b) take all commercially reasonable steps necessary to relieve the effect of such event and to resume completion of the Improvements. In accord with the foregoing, should the Company be unable to meet the requirements as described above as a result of a force majeure, the obligation of the City to pay as provided in Section II above, shall be suspended until such time as the Company is relieved from the effect of an event of force majeure and resumes completion of the Improvements.
- 8. It shall be an "Event of Default" by Company if any one or more of the following events shall occur for any reason whatsoever (and whether such occurrence shall be voluntary or involuntary or come about or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):
 - a. If Company shall fail to qualify and/or maintain the requirements for eligibility and participation in agreements for State of North Carolina incentives, One North Carolina Fund Grants, or other North Carolina grants/incentives applied for and awarded;
 - b. If Company, except in the event of force majeure, commits a breach of an obligation, including without limitation, the obligation to (i) make the Investment during the Improvement Period and maintain the Improvements during the

- Investment Maintenance Period and/or, (ii) create and maintain a minimum of Fifty Two (52) new jobs at the Property and that the overall average annual wage for the created jobs will equal or exceed \$59,566, which is ninety percent (90%) of the proposed Fifty Eight (58) jobs at the Property during the Jobs Maintenance Period and such breach continues for a period of sixty (60) or more days following receipt by the Company of written notice from the City;
- c. If during the Jobs Maintenance Period, the Company fails to timely file Exhibit B on or before March 5th of each year, following and corresponding to the previous July 1st when taxes are billed and any qualifying incentive that would be due to the Company, such failure may be deemed a breach of the Agreement and notwithstanding Paragraph 9 below, the sole remedy of the City will be the City will not owe the Company Economic Development Incentive Grants that may have otherwise been due had those filings properly been made when due;
 - d. If any material representation, warranty or other statement of fact contained in this Agreement or in any final writing, certificate, report or statement furnished by Company to City in connection with the transaction described in this Agreement, shall, to Company's knowledge, to be false or misleading in any material respect at the time given;
 - e. If Company shall be unable to pay its debts generally as they become due; files a petition to take advantage of any insolvency statute; makes an assignment for the benefit of creditors; commences a proceeding for the appointment of a receiver, trustee, liquidator or conservator of themselves or of the whole or any substantial part of their property; files a petition or answer seeking reorganization or arrangement of similar relief under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state;
 - f. If a Court of competent jurisdiction shall enter an order, judgment, or decree appointing a custodian, receiver, trustee, liquidator, or conservator of Company or of the whole or any substantial part of their properties, or approves a petition filed against Company seeking reorganization or arrangement of similar relief under the federal bankruptcy laws or any other applicable law or statute; or if, under the provisions of any other law for the relief or aid of debtors, a court of competent jurisdiction shall assume custody or control of Company or of the whole or any substantial part of their properties; or
 - g. If Company shall allow the Improvements, employment and average wage amounts to fall below the minimum values agreed upon in this Agreement for the Property.
9. City Remedy: If Company fails to cure an Event of Default for which it receives written notice from the City, but which written notice will not be given to the Company by the City for a failure to timely file Exhibit B, due to its failure to satisfy the Improvement requirement or Jobs Creation requirement, the obligation of City as set out herein shall terminate, and Company shall immediately refund to City all Annual Incentive Payments paid to Company prior to the date of the Event of Default, plus interest calculated at the SOFR plus one percent (1%). The applicable SOFR will be the rate reported by the Federal Reserve Bank of New York on the day the Company receives the notice of the Event of Default. Company

shall, as it relates to an Event of Default, have sixty (60) days after receipt of the notice required above, to cure the Event of Default.

10. **Company Remedy:** If City fails to cure a default for which it receives written notice from Company, the obligations of Company as set out herein shall terminate; however, the obligations of the City shall remain in full force and effect, including the obligation to pay the Annual Incentive Payment due for the specific year of the default, as delineated in the terms of this Agreement. City shall, as it relates to an Event of Default, have sixty (60) days after receipt of the notice required above, to cure the Event of Default. It is understood that this remedy pertains solely to the obligations and payments due within the year of the cited default, without extending the City's payment obligations in subsequent years where the Company may not fulfill its obligations under this Agreement.
11. Company and City acknowledge any monies appropriated and expended by City for economic development incentives, as provided in this Agreement, are for a bona fide public purpose and are expended in good faith reliance on NCGS §158-7.1. In the event a Court of competent jurisdiction rules, in a final non-appealable order, to which either Company or City is a party, that all monies expended by City pursuant to this Agreement were not offered and accepted in good faith and in compliance with NCGS §158-7.1 and, further, that such monies must be repaid, Company will make such repayment to City. In the event one or more lawsuits are brought against City or any City elected official, officer, agent or employee, or Company, challenging the legality of this Agreement, then City and Company shall exercise their best efforts to defend against any and all such lawsuits, at their own cost and expense. In any event, if Company is required to repay funds to City pursuant to this Paragraph 12, the benefit of this Agreement to Company will have been lost and all further obligations of Company hereunder shall terminate.
12. The Company shall at all times observe and comply with all federal, state and local laws, regulations, codes, rules, ordinances and any other requirements. The Company further agrees it will not discriminate by reason by age, race, religion, color, sex, national origin or disability.
13. All notices, certificates or other communications required or permitted to be given or served hereunder shall be deemed given or served in accordance with the provisions of this Agreement if the notice is (i) mailed in a sealed wrapper and is deposited in the United States mail, certified mail, return receipt requested, postage prepaid, or (ii) deposited with a national overnight courier service that retains receipts for its deliveries, properly addressed as follows:

City of Hickory:	City of Hickory Attn: Warren Wood, City Manager 76 N. Center Street Hickory, NC, 28601
Copy to:	City Attorney Attn: Arnita Dula, City Attorney 76 N. Center Street Hickory, NC, 28601

Steel: Steel Warehouse of North Carolina
 Inc. Attn: Nathan Lerman, Vice President
 2722 W. Tucker Drive
 South Bend, Indiana 46619

City or Company may, by notice given to the other, designate any further or different addresses to which notices, certificates, requests or other communications shall be sent.

14. This Agreement shall inure to the benefit of, and is binding upon, City and Company and their respective successors and assigns. However, neither this Agreement, nor any rights, privileges, nor claims created by this Agreement may be transferred by Company without the prior, written approval of City, which approval will not be unreasonably withheld.
15. Except as otherwise provided in this Agreement, this Agreement may not be amended, changed, modified or altered except by written agreement of the parties.
16. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions of this Agreement.
17. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such fully-executed counterpart.
18. Controlling Law and Venue. This Agreement is governed by and shall be construed in accordance with the laws of the State of North Carolina; venue of any action shall be in the general courts of justice in Catawba County, or if in Federal court in the Western District of North Carolina.
19. The term of this Agreement shall commence on the date of execution and expire upon payment by City of all payments due to Company and Company fulfilling all of its requirements including real and personal property investments and maintenance and the creation and maintenance of jobs, unless earlier terminated as provided herein.
20. Both Company and City acknowledge and stipulate that this Agreement is the product of mutual negotiation and bargaining and that it has been drafted by Counsel for both Company and City. As such, the doctrine of construction against the drafter shall have no application to this Agreement.
21. Company shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, if Company uses a subcontractor, Company shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF the parties hereto have set their hands and seals as of the day and year first above written.

City of Hickory,
A North Carolina Municipal Corporation

Attest:
(SEAL)

By: _____ **(Seal)**
Hank Guess, Mayor
City of Hickory

Debbie Miller, Clerk

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

I, _____ a Notary Public of said County and State, certify that Debbie Miller personally came before me this day and acknowledged that she is City Clerk of the City of Hickory, a North Carolina Municipal Corporation, and that by authority duly given and as the act of the body politic the foregoing instrument was signed in its name by its Mayor, sealed with its seal, and attested by herself as City Clerk.

Witness my hand and seal this _____ day of _____, 2024.

(Seal)

Notary Public

My commission expires: _____

This document has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Melissa Miller, City Finance Director

Approved as to form on behalf of City of Hickory only:

Arnita Dula, City Attorney

Steel Warehouse of North Carolina LLC

By: _____ (Seal)
[NAME], {POSITION]

STATE OF _____
COUNTY OF _____

I, _____ a Notary Public of said County and State, do certify that _____, _____, personally appeared before me this day and acknowledged on behalf of Steel Warehouse of North Carolina the voluntary due execution of the foregoing document, all for the purposes therein expressed.

Witness my hand and seal this _____ day of _____, 2024.

(Seal)

Notary Public

My commission expires: _____

EXHIBIT A

**Joint Economic Development Agreement
Between City of Hickory and Steel Warehouse of North Carolina LLC**

CERTIFICATE

TO: City of Hickory

This Certificate is delivered pursuant to Paragraph 1 of the Joint Economic Development Agreement (the "Agreement"), dated _____, 2024, between City of Hickory ("City") and Steel Warehouse of North Carolina LLC ("Steel"). Any capitalized term not otherwise defined herein shall have the meaning assigned to such term in the Agreement.

I, _____, do hereby certify, for and on behalf of Steel, that:

- (a) Steel owns the real property necessary for the Improvements; and
- (b) Steel intends to create, maintain and make available a minimum of fifty eight (58) new jobs prior to December 31, 2027, the overall average annual wage of which will equal or exceed \$59,566, for each year that City pays Steel the Economic Development Incentive Grants provided for herein; and
- (c) Steel agrees to comply with the Calendar of Responsibilities listed below.

Calendar of Responsibilities:

- By January 5: Steel makes payment to City according to Tax Listing filed by January 31st of the previous year unless extension is requested and approved for April 15th. Any extension request must be filed by January 31st.
- By March 5: Steel must provide Exhibit B, supporting documents and proof of payment and/or compliance as required within Agreement.
- By April 15: Steel must provide Real/Personal Property Tax listings to County Tax Office.
- By April 22: County Tax Office to provide Tax Listing on Specified Accounts.*

*Note: This is not a company responsibility.

Dated at Catawba County, North Carolina, this ____ day of _____, 2024.

Steel Warehouse of North Carolina LLC

By: _____
Name: _____
Title: _____

EXHIBIT B

Joint Economic Development Agreement
Between City of Hickory and Steel Warehouse of North Carolina LLC

CERTIFICATE

TO: City of Hickory

This Certificate is delivered pursuant to Paragraph 6 and Paragraph 8 of the Joint Economic Development Agreement (“the “Agreement”) dated _____, 202__, between City of Hickory (“City”) and Steel Warehouse of North Carolina LLC (“Steel”). Any capitalized term not otherwise defined herein shall have the meaning assigned to such term in the Agreement.

STEEL does hereby certify that:

- (a) The following improvements were made during the 20__ Calendar Year: _____;
- (b) The following jobs were created during the 20__ Calendar Year: _____ (attach most recent quarterly 3rd party payroll report, Form NCUI 101 or other payroll documentation to verify);
- (c) The average wage of all of those employed at the Catawba facility during the 20__ Calendar Year is as follows: (Wage Forms Total Payroll divided by number of employees) _____;
- (d) Total cumulative real and personal property improvements installed at the facility since January 1, 2024 _____; and
- (e) Proof of taxes paid is attached to this certificate.

Dated at Catawba County, North Carolina, this ____ day of _____, 20__.

Steel Warehouse of North Carolina LLC

By: _____
Name: _____
Title: _____

Attachments (required):

(1) Current Year Catawba County personal and real property Tax Listing information as reported to Catawba County Tax Office, (2) Most recent quarterly Form NCUI 101, (3) Proof of taxes paid in full.

Calendar of Responsibilities:

- By January 5: Steel makes payment to City of ad valorem taxes according to Tax Listing filed by January 31st of the previous year unless extension is requested and approved for April 15th. Any extension request must be filed by January 31st.
- By March 5: Steel must provide this Exhibit B, supporting documents and proof of payment and/or compliance as required within Agreement.
- By April 15: Steel must provide Real/Personal Property Tax listings to County Tax Office.
- By April 22: County Tax Office to provide Tax Listing on Specified Accounts.*

*Note: This is not a company responsibility.



**NC DEPARTMENT
of COMMERCE**
RURAL ECONOMIC
DEVELOPMENT

Roy Cooper
GOVERNOR

Machelle Baker Sanders
SECRETARY

Kenny Flowers
ASSISTANT SECRETARY

April 26, 2024

The Honorable Hank Guess
Mayor
City of Hickory
PO Box 398
Hickory, NC 28603-0398

Re: Contract Agreement for Grant Number 2024-026-3201-2587; Your Signature and Reply is Requested
Project Title: "Steel Warehouse Co, LLC/Project Plate" – REVISION #1

Dear Mayor Guess:

Enclosed for your review and signature is a complete set of contract documents required to finalize the grant award from the North Carolina Rural Infrastructure Authority. Below is a description of the documents enclosed along with an explanation of the signatures required for each document.

Document:	Document Description:	Signed By:
Grant Agreement	Contract: Outlines the terms of Grant Agreement between the Department of Commerce and the Unit of Local Government.	Highest Elected Official - Unit of Local Government
Exhibit A	Scope of Services: Outlines the scope of the renovation/construction project.	No Signature Required
Exhibit B	Payment Schedule: Outlines the process for the Unit of Local Government to request reimbursements from Department of Commerce.	No Signature Required
Exhibit C	Reporting Schedule: Outlines the schedule of reports that are due from the Unit of Local Government to the Department of Commerce and when they are due.	No Signature Required
Exhibit D	Closeout/Job Requirements: Outlines the process for the Unit of Local Government to report the creation and maintenance of jobs to the Department of Commerce.	No Signature Required
Exhibit E	Legally Binding Commitment (LBC): Outlines terms and conditions of the Loan.	Highest Elected Official - Unit of Local Government and Legal Property Owner listed on the Deed.
Exhibit F	Promissory Note: Defines the repayment terms of the Loan in the event of default.	Legal Property Owner listed on the Deed.
Exhibit G	Limited Waiver of Confidentiality: Contains employment information reported to the Department of Commerce's Division of Employment Security.	Each Business involved in the project.
Exhibit H	Deed of Trust Documentation	Highest Elected Official – Unit of Local Government

Execute these documents, scan a quality copy and return to my attention at rgpreports@commerce.nc.gov. If you have any questions or if I can be of any assistance, please contact me at bethany.davenport@commerce.nc.gov.

Sincerely,

Bethany P. Davenport
Business & Fiscal Compliance Officer

Enclosure

Rural Economic Development Grant Agreement, Private Owner
BUILDING REUSE PROGRAM -Revision #1

2024-026-3201-2587

The North Carolina Department of Commerce (“Commerce”), an agency of the State of North Carolina (“State”), enters into this Rural Economic Development Grant Agreement (“Grant Agreement”) with the **City of Hickory** (the “Governmental Unit” and, together with Commerce, the “Parties”).

WHEREAS, the North Carolina General Assembly (“General Assembly”) has determined that it is the policy of the State to stimulate economic activity and to create new jobs for citizens of the State by providing matching grants or loans to specific local governmental units so as to productively reuse certain buildings and properties or expand rural health care facilities subject to the requirements of N.C.G.S. §§143B-472.127 and .128; and

WHEREAS, under N.C.G.S. §143B-472.128, the General Assembly created the North Carolina Rural Infrastructure Authority (“Rural Authority”) to review applications for and, where appropriate, authorize such matching grants or loans, and, under N.C.G.S. §§143B-472.126 and .127, the General Assembly authorized Commerce to administer such grants or loans; and

WHEREAS, pursuant to N.C.G.S. §§143B-472.127 and .128, and based on the terms, conditions and representations in this Grant Agreement’s Exhibits A (Scope of Project), Exhibit B (Payment Schedule), Exhibit C (Reporting Schedule), Exhibit D (Closeout Schedule/Job Requirements), Exhibit E (LBC), Exhibit F (Promissory Note) and Exhibit G (Waiver of Confidentiality (“Waiver”)), the Rural Authority has approved a grant (the “Grant”) to the Governmental Unit; and

WHEREAS, without limitation, the Rural Authority awarded the Grant: (1) based on the application filed by the Governmental Unit and any subsequent materials supporting the application that have been approved of by Commerce in writing, all of which are incorporated by reference herein; (2) based on the representation in the application that **Steel Warehouse of North Carolina LLC, a North Carolina limited liability company** (the “Owner”) owns certain real property located at:

2441 Highland Ave NE
Hickory, NC 28601

in **Catawba** County, North Carolina (the “Property”); (3) based on Commerce’s Grant requirements and guidelines, which are incorporated herein and which may be amended, modified or supplemented and applied accordingly to this Grant Agreement by Commerce in its sole discretion; and for (4) the creation and retention of certain jobs in the course of completing certain renovations/construction work at the Property (altogether, the “Project,” as summarized in Exhibit A to this Grant Agreement).

NOW, THEREFORE, in consideration of the mutual promises and such other valuable consideration as set out herein, the Parties mutually agree to the following terms and conditions:

1. Scope of Program/Agreements to be Executed.

- (a). As conditions of the Grant Agreement:
 - i. The highest elected official of the Governmental Unit shall execute two originals of this Grant Agreement in its exact form (unless Commerce approves of a change to its terms in writing) and shall return one of them to Commerce;
 - ii. The Governmental Unit shall ensure that its highest elected official and a duly authorized representative of the Owner execute two originals of the Rural Economic Development Loan Agreement and Legally Binding Commitment (“LBC”) in its exact form (unless Commerce approves of a change to its terms in writing) and shall return one such original to Commerce with the one executed original of the Grant Agreement;
 - iii. The Governmental Unit shall ensure with the Owner that every individual or entity that has any ownership interest in the real property which is the subject of the Project executes two originals of the Promissory Note attached as Exhibit F in its exact form and shall return one such original to Commerce with the one executed originals of the Grant Agreement; and
 - iv. Exhibit A refers to the entity (or entities, as applicable) required to create and maintain certain full-time new jobs (“New Jobs”) to complete the Project as the “Company,” the “Employer” and the “Business” (together and hereinafter, the “Business”). The Governmental Unit shall ensure that an authorized representative of each Business executes a Waiver of Confidentiality (“Waiver”), attached as Exhibit G, and shall return the original of any such Waiver to Commerce with the executed originals of the Grant Agreement. The Governmental Unit shall also ensure that any additional Business which becomes involved in the Project after the Grant Agreement is finalized executes a Waiver upon its involvement, the original of which the Governmental Unit shall promptly forward to Commerce.
- (b). The Governmental Unit shall provide Commerce with any information obtained pursuant to the LBC and allow Commerce to execute any rights of the Governmental Unit under the LBC, including the Governmental Unit’s rights of access, review or monitoring and Commerce’s rights as a third-party beneficiary thereunder.
- (c). The Governmental Unit shall exercise all of its rights and duties under the LBC in a prudent and timely manner to ensure the use of the Grant funds for the intended purposes and objectives and to preserve the rights of Commerce in this Grant Agreement and the LBC.
- (d). The LBC specifies how many New Jobs the Business must create and maintain in the performance of the Project and, if the Business fails to do so, those Grant funds that the Owner must repay to the Governmental Unit for return to Commerce or else repay directly to Commerce, upon request and as directed. If such New Jobs are not created or maintained, then the Governmental Unit shall return to Commerce any Grant funds it has not already disbursed to the Owner, make a timely demand for repayment from the Owner and, if such repayment is not forthcoming, initiate and fully litigate legal proceedings against the Owner to recover such repayment.

- (e). Without limitation, failure by the Governmental Unit to timely demand repayment from and, if necessary, initiate and fully litigate such legal proceedings against the Owner may affect the future consideration of the Governmental Unit for grant programs administered by Commerce. Further, and without limitation, if the Governmental Unit fails to timely initiate legal proceedings against the Owner for such repayment and Commerce elects to do so instead, the Governmental Unit is responsible and agrees to reimburse Commerce for all litigation costs and reasonable attorneys' fees that Commerce incurs in pursuing repayment.
2. Changes in the Project or Other Conditions.
- (a). A "Project Change" is any material alteration, addition, deletion or expansion of the Project, including (without limitation) material changes to construction or rehabilitation, the terms or conditions of the loan under the LBC ("Loan"), the required number of New Jobs, the matching investment in the Project, any cessation of business by the Owner or any Business and any filing of bankruptcy by the Governmental Unit, the Owner or any Business. There shall be no Project Changes unless expressly approved of by Commerce in a separate, prior written agreement stating, if applicable, the costs and schedule for completing the Project Change.
- Notwithstanding the foregoing and wherever referred to in this Grant Agreement, "cessation of business," "ceasing to do business" and "ceases to do business" shall not include (1) ceasing operations to maintain, service or upgrade real or personal property of the Owner, (2) seasonal shutdowns of operations as long as such cessation do not exceed a total of four (4) weeks in any calendar year (excluding time attributable to an event of force majeure as described below) and (3) under the circumstances of for the period of time described in Paragraph 17 below.
- (b). Additionally, the Governmental Unit shall immediately notify Commerce of any change in conditions or local law, or any other event, which may significantly affect its ability to oversee, administer or perform this Grant Agreement, the LBC or the Project. In its sole and unreviewable discretion, Commerce may deem such a change in conditions, local law or other event to constitute a Project Change.
3. Term of Grant Agreement. The effective period of this Grant Agreement shall commence on **4/18/2024** ("Effective Date") and shall terminate on **4/18/2026** unless terminated on an earlier date under the terms of this Grant Agreement (either one of which dates shall constitute the "Termination Date") or unless extended for an express term in writing by the Governmental Unit.
4. Funding. The Rural Authority grants to the Governmental Unit an amount not to exceed **\$240,000.00** for expenditures directly relating to the Project. The Governmental Unit hereby represents and warrants that all Grant funds shall be utilized exclusively for the purpose of the Project and consistent with all applicable laws, rules, regulations and requirements, and that the Governmental Unit shall not make or approve of any improper expenditure of Grant funds (including Loan funds). Administrative expenses of the

Governmental Unit are not eligible for Grant funding and any such use of Grant funds will violate this Grant Agreement.

5. Independent Status of the Governmental Unit.
 - (a). The Governmental Unit is an entity independent from the Rural Authority and Commerce. The Grant Agreement, the LBC, the Project and any actions taken pursuant to them shall not be deemed to create a partnership or joint venture between or among Commerce, the Rural Authority, the Governmental Unit or any third party (including, without limitation, the Owner or any Business). Nor shall the Grant Agreement, the LBC or the Project be construed to make the Governmental Unit (including its employees, agents, members or officials) or any third party (including, without limitation, the Owner or any Business) employees, agents, members or officials of Commerce or the Rural Authority. Neither the Governmental Unit nor any third party (including, without limitation, the Owner or any Business) shall have the ability to bind Commerce or the Rural Authority to any agreement for payment of goods or services or represent to any person that they have such ability.
 - (b). The Governmental Unit shall be responsible for payment of all of its expenses, including rent, office expenses and all forms of compensation to employees. The Governmental Unit shall provide worker's compensation insurance to the extent required for its operations and shall accept full responsibility for payments of unemployment tax or compensation, social security, income taxes, and any other charges, taxes or payroll deductions required by law in connection with its operations, for itself and its employees who are performing work pursuant to this Grant Agreement. All expenses incurred by the Governmental Unit are its sole responsibility, and neither Commerce nor the Rural Authority shall be liable for the payment of any obligations incurred in the performance of the Project.
6. Method of Payment. Commerce shall pay the Grant funds to the Governmental Unit in accordance with the Payment Schedule attached hereto as Exhibit B after receipt of written requests for payment from the Governmental Unit certifying that the conditions for such payment under this Grant Agreement have been met and that the Governmental Unit is entitled to receive the amount so requested and any other documentation that may be required by Commerce.
7. Obligation of Funds. The Governmental Unit shall not obligate Grant funds prior to the Effective Date or subsequent to the Termination Date of this Grant Agreement. All obligations outstanding as of the Termination Date shall be liquidated within thirty days.
8. Project Records.
 - (a). The Governmental Unit shall maintain full, accurate and verifiable financial records, supporting documents and all other pertinent data for the Project in such a manner as to clearly identify and document the expenditure of the State funds provided under

this Grant Agreement separate from accounts for other awards, monetary contributions or other revenue sources for this Project.

- (b). The Governmental Unit shall retain all financial records, supporting documents and all other pertinent records related to the Project for a period of five (5) years from the Termination Date. In the event such records are audited, all Project records shall be retained beyond the five-year period until the audit is concluded and any and all audit findings have been resolved.

9. Monitoring, Reports and Auditing.

- (a). The Governmental Unit agrees to ensure compliance and provide its assistance with such monitoring and auditing requirements as the State may request, including following the Termination Date of this Grant Agreement. Additionally, the Governmental Unit shall regularly monitor all performance under Grant-supported activities, including activities performed by the Owner and any Business, to ensure that time schedules are being met, New Jobs are being created and maintained and other performance goals are being achieved.
- (b). The Governmental Unit shall furnish Commerce detailed written progress reports according to the time periods specified in Exhibit C or as otherwise requested by Commerce. Such reports should describe the progress made by the Governmental Unit, the Owner and any Business toward achieving the purpose(s) of the Project, including specifically the goals of New Job creation and maintenance. Such descriptions should include the successes and problems encountered during the reporting period. Failure to submit a required report by the scheduled submission date will result in the withholding of any forthcoming payment until Commerce is in receipt of the delinquent report and the report meets with Commerce's approval, in Commerce's sole discretion.
- (c). The Governmental Unit acknowledges and agrees that, with regard to the Grant funds, it will be subject to the audit and reporting requirements prescribed by N.C.G.S §159-34, Local Government Finance Act - Annual Independent Audit; rules and regulations. Such audit and reporting requirements may vary depending upon the amount and source of Grant funding received by the Governmental Unit and are subject to change from time to time.
- (d). Within thirty (30) days after the Termination Date, the Governmental Unit shall submit a final report to Commerce describing the activities and accomplishments of the Project. The final report shall include a review of performance and activities over the entire Project period. In the final report, the Governmental Unit should describe the Project, how it was implemented, to what degree the established Project objectives were met and the difficulties encountered, what the Project changed and its cost.
- (e). The Governmental Unit grants the State and any of its related agencies, commissions or departments (including, without limitation, Commerce, the North Carolina State Auditor and the North Carolina Office of State Budget and Management) and any of their authorized representatives, at all reasonable times and as often as necessary

(including after the Termination Date), access to and the right to inspect, copy, monitor, and examine all of the books, papers, records and other documents relating to the Grant Agreement, the LBC or the Project. Likewise, the Governmental Unit shall ensure that the Owner and any Business provide the same access. In addition, the Governmental Unit agrees to comply at any time, including after the Termination Date, with any requests by the State (including, without limitation, the Rural Authority or Commerce) for other financial and organizational materials to permit the State to comply with its fiscal monitoring responsibilities or to evaluate the short- and long-range impact of its programs.

10. Termination; Availability of Funds.

- (a). If the Governmental Unit fails to fulfill in a timely and proper manner its obligations or violates any of the covenants or stipulations under this Agreement, if the Owner fails to fulfill in a timely and proper manner its obligations or violates any of its covenants or stipulations under the LBC or if any Business fails to fulfill those requirements applicable to it in the LBC, the Governmental Unit agrees that Commerce has the right to terminate this Grant Agreement and/or the LBC by giving, as applicable, the Governmental Unit or the Governmental Unit and the Owner written notice specifying the Termination Date, which Commerce may determine in its sole discretion. Upon such termination, Commerce shall have no responsibility to make additional Grant payments. Upon such termination, the Governmental Unit shall not expend any Grant funds (including Loan funds) without Commerce's express written authorization and shall return all unspent Grant funds to Commerce upon demand.
- (b). The obligations of the Rural Authority and/or Commerce to pay any amounts under this Grant Agreement are contingent upon the availability and continuation of funds for such purpose. If funds for the Grant (and therefore the Loan) become unavailable, the Governmental Unit agrees that Commerce has the right to terminate this Grant Agreement and/or the LBC by giving written notice specifying the Termination Date, which Commerce shall determine in its sole discretion. Upon such termination, the State shall have no responsibility to make additional Grant payments. Further, upon such termination, the Governmental Unit shall not expend any Grant funds (including Loan funds) without Commerce's express written authorization and shall return all unspent Grant funds to Commerce upon demand.

11. Liabilities and Loss. The Governmental Unit hereby agrees to release, indemnify and hold harmless the State (including, without limitation, the Rural Authority and Commerce), and their respective members, officers, directors, employees, agents and attorneys (together, the "Indemnified Parties"), from any claims of third parties (including, without limitation, the Owner and the Business) arising out of any act or omission of the Governmental Unit or any third party (including, without limitation, the Owner and the Business) in connection with the performance of this Grant Agreement, the LBC or the Project, and for all losses arising from their implementation. Without limiting the foregoing, the Governmental Unit

hereby releases the Indemnified Parties from, and agrees that such Indemnified Parties are not liable for, and agrees to indemnify and hold harmless the Indemnified Parties against, any and all liability or loss, cost or expense, including, without limitation, reasonable attorneys' fees, fines, penalties and civil judgments, resulting from or arising out of or in connection with or pertaining to, any loss or damage to property or any injury to or death of any person occurring in connection with the Project, or resulting from any defect in the fixtures, machinery, equipment or other property used in connection with the Project or arising out of, pertaining to, or having any connection with, the Project or the financing thereof (whether arising out of acts, omissions, or negligence of the Governmental Unit or of any third party (including, without limitation, the Owner and the Business), or of any of their agents, contractors, servants, employees, licensees, lessees, or assignees), including any claims and losses accruing to or resulting from any and all subcontractors, material men, laborers and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the Project.

12. Governmental Unit Representations and Warranties. The Governmental Unit hereby represents and warrants that:
- (a). The execution and delivery of this Grant Agreement have been duly authorized by all necessary Governmental Unit action and are not in contravention of law or in contravention of the provisions of any indenture agreement or undertaking to which the Governmental Unit is a party or by which it is bound.
 - (b). There is no action, suit proceeding, or investigation at law or in equity or before any court, public board or body pending, or to the knowledge of the Governmental Unit, threatened against or affecting it, the Owner or the Business, that could or might adversely affect the Project or any of the transactions contemplated by this Grant Agreement or the validity or enforceability of this Grant Agreement or the abilities of the Governmental Unit or the Owner to discharge their obligations under this Grant Agreement. If it is subsequently found that an action, suit, proceeding, or investigation did or could threaten or affect the development of the Project, the Governmental Unit shall be liable to Commerce for repayment of the entire amount of the Grant and this Grant Agreement may be terminated by Commerce effective upon notice.
 - (c). No consent or approval is necessary from any governmental authority as a condition to the execution and delivery of this Grant Agreement by the Governmental Unit or the performance of any of its obligations hereunder, or all such requisite governmental consents or approvals have been obtained. The Governmental Unit shall provide Commerce with evidence of the existence of any such necessary consents or approvals at the time of the execution of this Grant Agreement.
 - (d). The Governmental Unit is solvent.
 - (e). A cash match grant, loan or other funding ("Cash Match") equal to the amount of the Loan shall have been unconditionally committed to the Project. The Governmental Unit shall have procured and contributed at least five percent (5%) of this Cash Match, but no part of this 5% contribution can have derived, either directly or indirectly, from any other State or federal source. All Cash Match funds shall be

utilized exclusively for the purpose of the Project, and there shall be no improper expenditures of Cash Match funds. All Cash Match funds shall be expended prior to or simultaneously with and at the same rate as the Owner's expenditure of Loan funds.

- (f). Upon the Governmental Unit's reasonable inquiry of and receipt of supporting evidence from the Owner, both the Owner and any Business are duly authorized to do business under North Carolina law and are not delinquent on any federal, state or local taxes, licenses or fees.
13. Cessation/Termination, Bankruptcy, Dissolution or Insolvency.
- (a). Under the LBC, the Owner agrees at all times to preserve its legal existence, except that it may merge or consolidate with or into, or sell all or substantially all of its assets to, any entity that expressly undertakes, assumes for itself and agrees in writing to be bound by all of the obligations and undertakings of the Owner contained in the LBC. If the Owner so merges, consolidates or sells its assets without such an undertaking being provided, it agrees in the LBC to repay to the Governmental Unit or Commerce, upon request and as directed, all unspent Loan funds. Further, a merger, consolidation or sale without such an undertaking shall constitute a material default under the LBC, and the Governmental Unit or Commerce may terminate the LBC upon written notice to the Owner and hold the Owner liable for any other repayment provided for under the LBC.
- (b). Other than as provided for in Paragraph 13(a) above, if the Owner or any Business ceases to do business or becomes the subject of any bankruptcy, dissolution or insolvency proceeding prior to the Termination Date, it shall be the sole responsibility of the Governmental Unit to (i) immediately notify Commerce and (ii) pursue any claim for Grant funds owed the State by the Owner or Business, including in any legal proceeding, to obtain the maximum payment allowed by law. To the extent the Governmental Unit fails to pursue repayment of the Grant funds in such a proceeding and obtain the maximum payment allowed by law, and without limitation, the Governmental Unit shall be liable to Commerce for all amounts that should have been awarded to the Unit in the proceeding if it had taken the necessary action (notwithstanding whether such amounts would have actually been paid by the Owner or Business). Alternatively, without limitation, if the Governmental Unit fails to pursue repayment of the Grant funds in such a proceeding and Commerce elects to do so instead, the Governmental Unit is responsible and agrees to reimburse Commerce for all legal costs and reasonable attorneys' fees that Commerce incurs in pursuing repayment.
- (c). If the Governmental Unit fails to provide Commerce notice of the Owner or any Business ceasing to do business or becoming the subject of any bankruptcy, dissolution or insolvency proceeding prior to the Termination Date, it shall constitute a material default under this Grant Agreement. If there is such a cessation or such a proceeding, Commerce may terminate the Grant Agreement upon written notice to the Governmental Unit. If there is such a cessation or such a proceeding, the Governmental Unit agrees that Commerce has the right to terminate this Grant

Agreement and/or the LBC by giving, as applicable, the Governmental Unit or the Governmental Unit and the Owner written notice specifying the Termination Date, which Commerce may determine in its sole discretion. Upon such termination, the Governmental Unit, the Owner and any Business shall not expend any Grant or Loan funds without Commerce's express written authorization and shall return all unspent Grant or Loan funds to Commerce upon demand and if permissible under applicable bankruptcy, dissolution or insolvency law.

14. Additional Repayment Requirements and Remedies.

- (a). The repayment requirements and remedies addressed in this Paragraph 14 are in addition to those repayment requirements and other remedies set forth elsewhere in this Grant Agreement, including the requirements to repay unspent Grant funds. No remedy conferred or reserved by or to the State is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy provided for in this Grant Agreement, or now or hereinafter existing at law, in equity, or by statute, and any such right or power may be exercised from time to time and as often as may be deemed expedient.
- (b). If there is a breach of any of the requirements, covenants or agreements in this Grant Agreement or the LBC, or if there are any representations or warranties which are untrue as to a material fact in this Grant Agreement, the LBC or in relation to the LBC or the Project (including the performance thereof), the Governmental Unit agrees that Commerce has the sole discretion to require repayment from the Governmental Unit of an amount of Grant funds to be determined in Commerce's sole discretion but not to exceed the amount of Grant funds the Governmental Unit has already received under this Grant Agreement. Such requirements, covenants or agreements include but are not limited to Paragraphs 1, 2(a), 4, 10(a), 12 and 13 of this Grant Agreement and include but are not limited to the creation and retention of the New Jobs and the retention of the Baseline Number of jobs under the LBC.

15. No Waiver by the State. Failure of the State (including, without limitation, the Rural Authority and Commerce) at any time to require performance of any term or provision of this Grant Agreement or the LBC shall in no manner affect the rights of the State at a later date to enforce the same or to enforce any future compliance with or performance of any of the terms or provisions hereof. No waiver of the State of any condition or the breach of any term, provision or representation contained in this Grant Agreement or the LBC, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of that or any other term, provision or representation.

16. Waiver of Objections to Timeliness of Legal Action. The Governmental Unit knowingly waives any objections it has or may have to timeliness of any legal action (including any administrative petition or civil action) by the State (including, without limitation, the Rural Authority or Commerce) to enforce its rights under this Grant Agreement. This waiver

includes any objections the Governmental Unit may possess based on the statutes of limitations or repose and the doctrines of estoppel or laches.

17. Force Majeure. If (a) during the term of this Grant the real or personal property located on or constituting the Property suffers damage or destruction caused by acts of God, fires, floods, storms, insurrection, riots, acts of the public enemy, national catastrophe, or similar unexpected events, (b) such damage or destruction was not principally caused by the negligence, willful misconduct or violation of applicable law by the Owner, (c) the Owner uses reasonable efforts to repair, or to work around, such damage or destruction reasonably promptly, and (d) as a direct result of such damage or destruction the Owner cannot satisfy the requirements and obligations of Sections 3 of the LBC as and when the LBC requires, then the Owner will be entitled to an extension of time not to exceed sixty (60) days to satisfy the requirements and obligations of Section 3 of the LBC; provided that the Governmental Unit in its sole discretion with respect to the obligations it is owed by the Owner, may elect to extend that sixty day period to give the Owner additional time to satisfy those requirements.
18. Special Provisions and Conditions.
 - (a). Non-discrimination. The Governmental Unit agrees not to discriminate by reason of age, race, religion, color, sex, national origin or disability related to the activities of this Grant Agreement.
 - (b). Conflict of Interest. The Governmental Unit shall adopt and keep on file, along with the executed copies of this Grant Agreement, a copy of its policy and any ordinance or resolution it has adopted addressing conflicts of interest that may arise involving the members of the Governmental Unit's governing body and/or any of its employees or officers involved in the Grant, the LBC or the Project. Such policy, ordinance or resolution shall address situations in which any of these individuals may directly or indirectly benefit, other than through receipt of their normal compensation in their capacities as the Governmental Unit's employees, officers or members of its governing body, from the Grant, the LBC or Project, and shall include actions to be taken by the Unit or the individual, or both, to avoid conflicts of interest and the appearance of impropriety. Additionally, the Governmental Unit certifies that, as of the date it executes this Grant Agreement, no such individuals have such a conflict of interest or will directly or indirectly benefit, except in the capacities described above, from the Grant, LBC or Project. Throughout the duration of this Grant Agreement, the LBC and the Project, the Governmental Unit has the duty to promptly inform Commerce of any such conflict of interest or direct or indirect benefit of which it becomes aware.
 - (c). Compliance with Laws. The Governmental Unit shall at all times observe and comply with all laws, regulations, codes, rules, ordinances and other requirements (together, "Laws") of the state, federal and local governments which may in any manner affect the performance of the Grant Agreement, the LBC or the Project.
 - (d). Non-Assignability. The Governmental Unit shall not assign or transfer any interest in the Agreement without the prior written consent of Commerce; provided, however,

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that claims for money due to Governmental Unit from Commerce under this Agreement may be assigned to any commercial bank or other financial institution without such approval.

- (e). Personnel. The Governmental Unit represents that it has, or will secure at its own expense, all personnel required to monitor, carry out and perform the scope of services of this Agreement. Such employees shall not be employees of Commerce. Such personnel shall be fully qualified and shall be authorized under state and local law to perform such services.

19. Notice. All notices required or permitted to be delivered hereunder and all communications in respect hereof shall be in writing and shall be deemed given when personally delivered or when deposited in the United States mails, certified, return receipt requested, first class, postage prepaid and addressed as follows:

If to the Rural Authority or Commerce: Attn: **Hazel Edmond**
 Program Manager
 North Carolina Department of Commerce
 Rural Economic Development Division
 301 North Wilmington Street
 4346 Mail Service Center
 Raleigh, North Carolina 27699-4346

If to the Governmental Unit: Attn: **The Honorable Hank Guess**
 Mayor
 City of Hickory
 PO Box 398
 Hickory, NC 28603-0398

or addressed to such other address or to the attention of such other individual as Commerce or the Governmental Unit shall have specified in a notice delivered pursuant to this subsection.

20. Entire Agreement. This Grant Agreement supersedes all prior agreements between or among the Rural Authority and/or Commerce and the Governmental Unit with regard to the Project and expresses their entire understanding with respect to the transactions contemplated herein, and shall not be amended, modified or altered except pursuant to a writing signed by both Commerce and the Governmental Unit.
21. Execution. This Grant Agreement may be executed in one or more counterparts, each of which, when executed, shall be deemed an original, and such counterparts, together, shall constitute one and the same Grant Agreement which shall be sufficiently evidenced by one of such original counterparts.
22. Construction. This Grant Agreement shall be construed and governed by the laws of the State of North Carolina.
23. Severability. Each provision of this Grant Agreement is intended to be severable and, if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect or impair any other provision of this Grant Agreement, but this Grant Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

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24. Acceptance. If the Governmental Unit agrees to the Grant conditions as stated, please return the executed documents specified in Paragraph 1(a). This Grant may be withdrawn if Commerce has not received such documents within thirty (30) days from the date of the cover letter from Commerce to the Governmental accompanying this Grant Agreement and its Exhibits.

IN WITNESSETH WHEREOF, the parties hereto have executed this Grant Agreement as of the date first above written.

City of Hickory

Signature: _____ [SEAL]

Printed Name: Hank Guess

Title: Mayor

Date: _____

North Carolina Department of Commerce

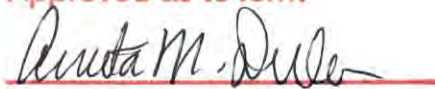
Signature: _____ [SEAL]


Printed Name: Kenny Flowers

Title: Assistant Secretary for Rural Economic Development

Date: 4/23/2024

Approved as to form


City of Hickory – Legal Dept.

BUILDING REUSE PROGRAM - Vacant
 City of Hickory
 Steel Warehouse Co, LLC/Project Plate – REVISION #1

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**EXHIBIT A
 SCOPE OF PROJECT**

Summary: The City of Hickory will support the reuse of a 35,000 SF building located at 2441 Highland Avenue. The building was constructed in 1950 and has been vacant for one year. Steel Warehouse Co., LLC is a 75-year-old, privately held, steel service center headquartered in Indiana. The company has 15 facilities in the United States as well as facilities in Mexico and Brazil. The company claims that they process nearly 2 million tons of steel annually.

**EXHIBIT B
 PAYMENT SCHEDULE**

Eligible Expenditures:

Vacant Building Category: within the existing building footprint

Existing Business Building Category: within the existing building and/or additions

Rural Health Care Category: within the existing building, additions and/or new construction

Eligible costs under all funding categories include, but are not limited to: materials and labor to install HVAC, electrical, plumbing, fire alarm/suppression systems, roofing, flooring, carpentry, drywall, paint, etc. This is not an exhaustive list; grantees should contact the Rural Development Division for questions about whether a specific expense is eligible under the program.

The following costs are specifically prohibited under the program and may not be submitted for reimbursement or the matching funds requirement: building purchase, architectural costs, engineering costs, permit fees, surveys, legal fees, machinery & equipment, telephone hardware and software, computer hardware and software, furnishings, paving, fencing, kitchen equipment, refrigeration equipment, etc. This is not an exhaustive list; grantees should contact the Rural Development Division for questions about whether a specific expense is eligible under the program.

Any company in which any project partner has an ownership or management interest in may act as a contractor for the renovation project only if the company holds a valid NC General Contractors license. The relationship must have been disclosed to the Rural Development Division and a copy of the company's license must have been included in the application. Licensed contracting companies owned or operated by any project partner that are used in the renovation project will be required to submit original invoices from the provider for all labor, materials, services and subcontracted work plus proof that those invoices have been paid in full.

Reimbursement Requirements:

The Department of Commerce will reimburse 50% of eligible expenditures up to the total grant amount upon receipt of the following:

1. A completed financial request form,
2. Copies of eligible project invoices that support the request amount,
3. Evidence that the invoices submitted for reimbursement have been paid-in-full. Evidence may include copies cleared checks, wire transfer or ACH receipts, and/or credit card receipts. Invoices paid with cash and those not paid in full will not be reimbursed, and
4. Satisfaction of reporting requirements according to Exhibit C below.

Eligible expenditures may not be incurred prior to the effective date or subsequent to the termination date of the grant. Payments are subject to the availability of funds.

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EXHIBIT C REPORTING SCHEDULE

Progress reports are due on January 15th and July 15th for each year that the grant remains open. The final report and job verification documentation are due at the time of project completion or no later than 30 days after the grant end-date, whichever is sooner. The reporting schedule remains in effect for the duration of the grant including time extensions.

Failure to submit progress reports as required:

1. Will result in non-payment of payment requests,
2. Can result in the immediate termination of the grant,
3. Can result in the demand for immediate repayment of any funds paid by The Department of Commerce, and
4. Will negatively impact the grantee's eligibility for future Commerce grants.

EXHIBIT D JOB VERIFICATION AND CLOSE OUT REQUIREMENTS

Building Reuse and Rural Health Care loans are eligible for forgiveness once the creation and maintenance of the full-time jobs committed for the project, as well as, all reporting requirements are approved by Commerce. Below are the requirements and procedure for approval.

Job Verification

To be considered eligible, a full-time job must be filled with one employee who works at least 35 hours per week and is paid at least minimum wage. Part-time, full-time equivalents, or contract/consulting positions are not eligible.

Grantees should submit the following as evidence of job creation and maintenance:

1. **Job Certification Form**—both the grantee and the participating business are required to complete respective sections of this form that attests to the creation of the number of jobs full-time jobs committed to receive the grant. The form must be signed by the authorized representatives of the local government grantee and the participating business.
2. **NCUI 101 Forms**—The grantee should submit copies of each company's *Employer's Quarterly Tax and Wage Report* (NCUI 101 forms) that have been submitted to the North Carolina Employment Security Commission according to the requirements below.
 - NCUI 101 Forms should be submitted to Commerce.
 - The forms must include the appropriate number of quarters to show that the company maintained the required employment level for six-consecutive months.
 - The employment level reported must meet or exceed the baseline number of employees reported at the time of the application plus the number of new, full-time jobs committed for the grant.
 - The jobs created and the baseline must be maintained concurrently during the same six-month period.
 - If the NCUI 101 forms include employees from other locations in North Carolina, the names of the employees working in the grant funded project facility should be highlighted, and a multi-site report should be provided.
 - If the NCUI 101 forms include both full and part-time employees an "f" should be written next to the name of each full-time employee and a "p" should be written next to the name of each part-time employee.
3. **Final Report**—the grantee must submit the Final Report Form that describes the activities and outcomes of the project.
4. **Photos**—the grantee must submit digital photos that show a variety of views of the completed project.

All forms, including reporting and request for payment, can be found on the Commerce website at <http://www.commerce.nc.gov/rgp>. Email completed forms and reports to rgpreports@commerce.nc.gov.

Rural Economic Development Loan Agreement and
 Legally Binding Commitment, Private Owner
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EXHIBIT E

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City of Hickory (the “Governmental Unit”) enters into this Loan Agreement and Legally Binding Commitment (the “LBC,” including the “Loan,” defined below with **Steel Warehouse of North Carolina LLC, a North Carolina limited liability company** (the “Owner” and, together with the Governmental Unit, the “Parties”).

WHEREAS, pursuant to N.C.G.S. §§143B-472.127 and .128, the North Carolina Rural Infrastructure Authority (the “Rural Authority”) of the State of North Carolina (“State”) has awarded a grant (the “Grant”) to the Governmental Unit, and the North Carolina Department of Commerce (“Commerce”), an agency of the State, will administer the Grant; and

WHEREAS, the Grant is memorialized in an agreement (the “Grant Agreement”) between Commerce and the Governmental Unit, and the Grant Agreement includes Exhibit A (Scope of Project), Exhibit B (Payment Schedule), Exhibit C (Reporting Schedule), Exhibit D (Closeout Schedule/Job Requirements), Exhibit E (this LBC, which incorporates by reference the Grant Agreement and its other Exhibits), Exhibit F (Promissory Note) and Exhibit G (Waiver of Confidentiality (“Waiver”)); and

WHEREAS, without limitation, the Rural Authority awarded the Grant: (1) based on the application filed by the Governmental Unit and any subsequent materials supporting the application that have been approved of by Commerce in writing, all of which are incorporated into the Grant Agreement by reference; (2) based on the representation in the application that the Owner owns certain real property located at:

2441 Highland Ave NE
 Hickory, NC 28601

in **Catawba** County, North Carolina (the “Property”); (3) based on Commerce’s Grant requirements and guidelines, which are incorporated herein and which may be amended, modified or supplemented and applied accordingly to the Grant Agreement and this LBC by Commerce in its sole discretion; and for (4) the creation and retention of certain jobs in the course of completing certain renovations/construction work at the Property (altogether, the “Project,” as summarized in Exhibit A to this Grant Agreement); and

WHEREAS, the Governmental Unit and the Owner are required to enter into this LBC as a condition of the Governmental Unit loaning the Grant funds to the Owner.

NOW, THEREFORE, in consideration of the mutual promises and such other valuable consideration set out herein, the Parties mutually agree to the following terms and conditions:

- I. Third-Party Beneficiary. The Parties agree that the State (including, without limitation, Commerce and the Rural Authority) is an intended third-party beneficiary of this LBC (including the Loan) and may, at its option, enforce the terms of this LBC or appear as a party in any litigation concerning the LBC.

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EXHIBIT E

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2. Loan.

- (a) The Governmental Unit hereby loans to the Owner the sum of **\$240,000.00** (the “Loan”), which consists entirely of State Grant funds, to fund the Project. Exhibit A to the Grant Agreement refers to the entity (or entities, as applicable) required to create and maintain certain full-time new jobs, as defined in Paragraph 3(a), to complete the Project under this LBC as the “Company,” the “Employer” and the “Business” (together and hereinafter, the “Business”). The Owner specifically acknowledges that: it must repay the Loan in accordance with the terms of this LBC if the Business does not create and maintain the new jobs required by Paragraph 3(a) below; and as evidence of its obligation to repay the Loan, the Owner has executed the Promissory Note, Exhibit F to the Grant Agreement, which the Owner represents, acknowledges and agrees has been signed by every individual or entity that has any ownership interest in the Property and is fully binding on the Owner.
- (b). As conditions of receiving the Loan:
- i. The highest elected official of the Governmental Unit and a duly authorized representative of the Owner shall execute two originals of the LBC in its exact form (unless Commerce approves of a change to its terms in writing), and the Governmental Unit shall return one such original to Commerce;
 - ii. Every individual or entity that has any ownership interest in the Property shall execute two originals of the Promissory Note in its exact form, and the Governmental Unit shall return one such original to Commerce; and
 - iii. The Owner and the Governmental Unit shall ensure that an authorized representative of each Business executes a Waiver, Exhibit G to the Grant Agreement, and the Governmental Unit shall forward the original of any such Waiver to Commerce.
- (c). The Owner hereby represents and warrants that all Loan funds shall be utilized exclusively for the purpose of the Project and that it shall not make or approve of any improper expenditures of Loan funds.

3. New Job Creation, Maintenance of New Jobs and Baseline Number of Jobs and Verification.

- (a). New Job Creation and Maintenance of New Jobs and Baseline Number of Jobs. A “New Job” shall mean a full-time job (consisting of at least 35 hours per week of employment and eligibility for all benefits generally available for full-time employees of the Business) which is with the Business, is located in North Carolina, has a wage at least equal to the minimum wage, is created and maintained by the Business in order to complete the Project and is over and above the **0** full-time jobs in North Carolina (“Baseline Number”) that the Business reported having at the time of the application for the Project. The Owner agrees that the Business shall be required to create and maintain in existence for six (6) consecutive months **30** New Jobs prior to the Termination Date, unless this term is extended pursuant to Paragraph 5. Separate and apart from these New Jobs, the Owner agrees that the Business shall be required to maintain in existence its Baseline Number of jobs for as long as it takes the Business to create and maintain its required number of New Jobs.
- (b). Verification. When the New Jobs required by Paragraph 3(a) have been created and maintained for six (6) consecutive months, the Owner shall notify the Governmental

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Unit so that it and/or Commerce can verify their creation and maintenance, as well as the maintenance of the Baseline Number of jobs and the satisfaction of all other conditions and terms of this LBC and the Project. The Owner shall cause any Business to provide to the Governmental Unit and Commerce, or their respective designees, full and complete access to all records of the Business necessary to verify the number and types of jobs created and maintained, the wages paid to employees and all other conditions and terms of this LBC and the Project. Failure of any Business to provide such access upon request shall constitute a material default by the Owner under the terms of this LBC and, in the sole discretion of the Governmental Unit and/or Commerce, may subject the Owner to repayment in an amount calculated under Paragraph 13 below.

4. Changes in the Project or Other Conditions.
 - (a). A “Project Change” is any material alteration, addition, deletion or expansion of the Project, including (without limitation) material changes to construction or rehabilitation, the terms or conditions of the loan under the LBC, the required number of New Jobs, the matching investment in the Project, any cessation of business by the Owner or any Business and any filing of bankruptcy by the Owner or any Business. There shall be no Project Changes unless expressly approved of by Commerce and the Governmental Unit in a separate, prior written agreement stating, if applicable, the costs and schedule for completing the Project Change.
 - (b). Additionally, the Owner shall immediately notify the Governmental Unit of any change in conditions or local law, or any other event, which may significantly affect the ability of it or any Business to perform the LBC or the Project. In their sole discretion, the Governmental Unit or Commerce may deem such a change in conditions, local law or other event to constitute a Project Change.

5. Term of LBC. The effective period of this LBC shall commence **4/18/2024** (“Effective Date”) and shall terminate **4/18/2026** unless terminated on an earlier date under the terms of this LBC (either one of which dates shall constitute the “Termination Date”) or unless extended for an express term in writing by the Governmental Unit.

6. Independent Status of the Governmental Unit.
 - (a). The State (including, without limitation, the Rural Authority and Commerce) and the Governmental Unit are independent entities from one another and from the Owner and any third party (including, without limitation, any Business). The Grant Agreement, the LBC, the Project and any actions taken pursuant to them shall not be deemed to create a partnership or joint venture between the State and the Governmental Unit or between or among either of them and the Owner or any third party (including, without limitation, any Business). Nor shall the Grant Agreement, the LBC or the Project be construed to make any employees, agents or members of the Owner or any third party (including, without limitation, any Business) into employees, agents, members or officials of the Governmental Unit or the State or to make employees, agents, members or officials of the Governmental Unit into employees, agents, members or officials of the State. Neither the Owner nor any third party (including, without limitation, any Business) shall have the ability to bind the

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EXHIBIT E

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Governmental Unit or the State to any agreement for payment of goods or services or represent to any person that they have such ability. Nor shall the Governmental Unit have the ability to bind the State to any agreement for payment of goods or services or represent to any person that it has such ability.

- (b). The Owner and any third party (including, without limitation, any Business) shall be responsible for payment of all their expenses, including rent, office expenses and all forms of compensation to their employees. The Owner and any third parties (including, without limitation, any Business) shall provide worker's compensation insurance to the extent required for their operations and shall accept full responsibility for payments of unemployment tax or compensation, social security, income taxes, and any other charges, taxes or payroll deductions required by law in connection with their operations, for themselves and their employees who are performing work pursuant to this LBC or the Project. All expenses incurred by the Owner or any third party (including, without limitation, any Business) are their sole responsibilities, and neither the Governmental Unit nor the State (including, without limitation, Commerce and the Rural Authority) shall be liable for the payment of any obligations incurred in the performance of the Project.

7. Project Records.

- (a). The Owner shall maintain and cause any Business to maintain full, accurate and verifiable financial records, supporting documents and all other pertinent data for the Project in such a manner as to clearly identify and document the expenditure of the State funds provided under this LBC separate from accounts for other awards, monetary contributions or other revenue sources for this Project.
- (b). The Owner shall retain and cause any Business to retain all financial records, supporting documents and all other pertinent records related to this LBC, the Loan and the Project for a period of five (5) years from the Termination Date. In the event such records are audited, all such records shall be retained beyond the five-year period until the audit is concluded and any and all audit findings have been resolved.

8. Monitoring, Reports and Auditing. The Owner agrees to generate and to cause any Business to generate such reports regarding the LBC or the Project as may be requested by the Governmental Unit or the State (including, without limitation, the Rural Authority or Commerce) in such form as they may request, including after the Termination Date. The Owner further grants and shall cause any Business to grant the Governmental Unit or the State (including any of its agencies, commissions or departments such as Commerce, the North Carolina State Auditor and the North Carolina Office of State Budget and Management) and any of their authorized representatives, at all reasonable times and as often as necessary (including after the Termination Date), access to and the right to inspect, copy, monitor and examine all of the books, papers, records and other documents relating to the LBC or the Project. In addition, the Owner agrees to comply and to cause any Business to comply at any time, including after the Termination Date, with any requests by the State (including, without limitation, the Rural Authority or Commerce) for other financial and organizational materials to permit the State to comply with its fiscal monitoring responsibilities or to evaluate the short- and long-range impact of its programs.

Rural Economic Development Loan Agreement and
 Legally Binding Commitment, Private Owner
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9. Termination; Availability of Funds.
- (a). If the Owner fails to fulfill in a timely and proper manner its obligations or violates any of its covenants or stipulations under the LBC or if any Business fails to fulfill those requirements applicable to it in the LBC, the Owner agrees that the Governmental Unit or Commerce has the right to terminate the LBC by giving the Owner written notice specifying the Termination Date, which shall be determined by the Governmental Unit or Commerce in their sole discretion. Upon such termination, neither the State nor the Governmental Unit shall have any responsibility to make Loan payments. Further, upon such termination, the Owner shall not expend any Loan funds without the express written authorization of the Governmental Unit and Commerce and shall return all unspent Loan funds to either the Governmental Unit or Commerce, upon request and as directed.
 - (b). If the Governmental Unit fails to fulfill in a timely and proper manner its obligations or violates any of the covenants or stipulations under its Grant Agreement with Commerce, the Owner agrees that Commerce has the right to terminate its Grant Agreement with the Governmental Unit and/or terminate this LBC by giving, as applicable, the Governmental Unit or the Governmental Unit and the Owner written notice specifying the Termination Date, which Commerce may determine in its sole discretion. Upon such termination, neither the State nor the Governmental Unit shall have any responsibility to make Loan payments. Further, upon such termination, the Owner shall not expend any Loan funds without the express written authorization of the Governmental Unit and Commerce and shall return all unspent Loan funds to either the Governmental Unit or Commerce, upon request and as directed.
 - (c). The obligations of the Rural Authority and/or Commerce to pay any Grant funds to the Governmental Unit and for the Governmental Unit to pay any Loan amounts to the Owner under this LBC are contingent upon the availability and continuation of funds for such purpose. If funds for the Grant and therefore the Loan become unavailable, the Owner agrees that either Commerce or the Governmental Unit has the right to terminate this LBC by giving written notice specifying the Termination Date, which either the Governmental Unit or Commerce may determine in their sole discretion. Upon such termination, neither the State nor the Governmental Unit shall have any responsibility to make Loan payments. Further, upon such termination, the Owner shall not expend any Loan funds without the express written authorization of the Governmental Unit and Commerce and shall return all unspent Loan funds to the Governmental Unit or Commerce, upon demand and as directed.
10. Liabilities and Loss. The Owner hereby agrees to release, indemnify and hold harmless the Governmental Unit and the State (including the Rural Authority and Commerce), and their respective members, officers, directors, employees, agents and attorneys (hereinafter collectively referred to as "Indemnified Parties"), from any claims of third parties (including, without limitation, any Business) arising out of any act or omission of the Owner or any third party (including, without limitation, any Business) in connection with the performance of this LBC or the Project, and for all losses arising from implementation of this LBC or the Project. Without limiting the foregoing, the Owner hereby releases the Indemnified Parties from, and agrees that such Indemnified Parties are not liable for, and agrees to indemnify and hold harmless the Indemnified Parties against, any and all liability

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or loss, cost or expense, including, without limitation, reasonable attorneys' fees, fines, penalties and civil judgments, resulting from or arising out of or in connection with or pertaining to, any loss or damage to property or any injury to or death of any person occurring in connection with the Project, or resulting from any defect in the fixtures, machinery, equipment or other property used in connection with the Project or arising out of, pertaining to, or having any connection with, the Project or the financing thereof (whether or not arising out of acts, omissions or negligence of the Owner or of any third party (including, without limitation, any Business), or of any of their agents, contractors, servants, employees, licensees, lessees, or assignees), including any claims and losses accruing to or resulting from any and all subcontractors, material men, laborers and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the Project.

11. Owner Representations and Warranties. The Owner hereby represents and warrants that:
- (a). The Owner and every Business are duly authorized to do business under North Carolina law and are not delinquent on any federal, state or local taxes, licenses or fees.
 - (b). This LBC has been entered into and executed on behalf of the Owner by an individual with full actual and apparent authority to bind the Owner to the terms hereto, and the execution and delivery of this LBC have been duly authorized by all necessary action, and are not in contravention of law nor in contravention of any certificate of authority, bylaws or other applicable organizational documents of the Owner, nor are they in contravention of the provisions of any indenture, agreement or undertaking to which the Owner is a party or by which it is bound.
 - (c). The Promissory Note has been executed by every individual or entity that has any ownership interest in the Property and is fully binding on the Owner.
 - (d). There is no action, suit, proceeding or investigation at law or in equity before any court, public board or body pending, or, to the Owner's knowledge, threatened against or affecting the Owner, that could or might adversely affect the Project, the creation of the New Jobs or any of the transactions contemplated by this LBC, or the validity or enforceability of this LBC or the Owner's ability to discharge its obligations under this LBC.
 - (e). Upon the Owner's reasonable inquiry of any Business, there is no action, suit, proceeding or investigation at law or in equity before any court, public board or body pending, threatened against or affecting any Business that could or might adversely affect the Project, the creation of the Jobs or any of the transactions contemplated by this LBC or the validity or enforceability of this LBC or the ability of any Business to create the Jobs specified herein.
 - (f). No consent or approval is necessary from any governmental authority as a condition to the execution and delivery of this LBC by the Owner or the performance of any of its obligations hereunder, or else all such requisite governmental consents or approvals have been obtained. The Owner shall provide the Governmental Unit or Commerce with evidence of the existence of any such necessary consents or approvals at the time of the execution of this LBC.
 - (g). The Owner is solvent and has inquired of and received reasonable evidence from any Business of the solvency of that Business.

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- (h). A cash match grant, loan or other funding (“Cash Match”) equal to the amount of the Loan shall have been unconditionally committed to the Project. The Governmental Unit shall have procured and contributed at least five percent (5%) of this Cash Match, but no part of this 5% contribution can have derived, either directly or indirectly, from any other State or federal source. All Cash Match funds shall be utilized exclusively for the purpose of the Project, and there shall be no improper expenditures of Cash Match funds. All Cash Match funds shall be expended prior to or simultaneously with and at the same rate as the Owner’s expenditure of Loan funds.
12. Cessation/Termination, Bankruptcy, Dissolution or Insolvency.
- (a). The Owner shall at all times preserve its legal existence, except that it may merge or consolidate with or into or sell all or substantially all of its assets to any entity that expressly undertakes, assumes for itself and agrees in writing to be bound by all of the obligations and undertakings of the Owner contained in this LBC. If the Owner so merges, consolidates or sells its assets without such an undertaking being provided, it agrees to repay to the Governmental Unit or Commerce, upon request and as directed, all unspent Loan funds. Further, any merger, consolidation or sale without such an undertaking shall constitute a material default under this LBC, and the Governmental Unit or Commerce may terminate the LBC upon written notice to the Owner and hold the Owner liable for any other repayment provided for under this LBC.
- (b). Other than as provided for in Paragraph 12(a), if the Owner or any Business ceases to do business or becomes the subject of any bankruptcy, dissolution or insolvency proceeding prior to the Termination Date, the Owner shall give the Governmental Unit immediate notice of the event, shall not expend any Loan funds without the express written authorization of the Governmental Unit and shall return all unspent Loan funds to the Governmental Unit or Commerce, upon demand and as directed and if permissible under applicable bankruptcy, dissolution or insolvency law.
- (c). If the Owner fails to provide the Governmental Unit notice of the Owner or any Business ceasing to do business or becoming the subject of any bankruptcy, dissolution or insolvency proceeding prior to the Termination Date, it shall constitute a material default under this LBC. If there is such a cessation or such a proceeding, the Governmental Unit or Commerce may terminate the LBC upon written notice to the Owner. Upon such termination, the Owner shall not expend any Loan funds without the express written authorization of the Governmental Unit and shall return all unspent Loan funds to the Governmental Unit or Commerce upon demand and as directed and if permissible under applicable bankruptcy, dissolution or insolvency law.
- (d). Notwithstanding the foregoing and wherever referred to in this LBC, “ceases to do business” shall not include (1) ceasing operations to maintain, service or upgrade real or personal property of the Owner, (2) season shutdowns of operations as long as such cessation does not exceed a total of four (4) weeks in any calendar year (excluding time attributable to an event of force majeure as described below) and (3) under the circumstances for the period of time described in Paragraph 22 below.

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13. Additional Repayment Requirements and Remedies.

- (a). The repayment requirements and remedies addressed in this Paragraph 13 are in addition to those repayment requirements and other remedies set forth elsewhere in this LBC, including the requirements to repay unspent Loan funds. No remedy conferred or reserved by or to the State or the Governmental Unit is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy provided for in this LBC, or now or hereinafter existing at law, in equity, or by statute, and any such right or power may be exercised from time to time and as often as may be deemed expedient.
- (b). The Owner acknowledges that the Grant by the Rural Authority and the Loan by the Governmental Unit are predicated upon the creation and maintenance of the New Jobs and maintenance of the Baseline Number of jobs required by Paragraph 3(a) and that failure to create and/or maintain them will constitute a material default of this LBC.
- i. If the Business fails to create and maintain such New Jobs, then the Owner shall repay to the Governmental Unit or Commerce, as directed, an amount equal to the product of (i) **\$8,000** (the amount of Loan funds divided by the number of New Jobs required to be created in Paragraph 3(a) and (ii) the number of New Jobs required to be created in Paragraph 3(a), minus the number of New Jobs actually created, above the Baseline Number reported, that have been in existence for six (6) consecutive months.
 - ii. Additionally, in the event that the Business fails to maintain its Baseline Number of jobs as required under Paragraph 3(a), the Business shall lose credit for any qualifying New Jobs under this LBC by the same number of jobs that the Baseline Number is short. For example, if the Baseline Number of jobs falls short by three (3) jobs as of the date the Business has created and maintained all required New Jobs, the number of New Jobs deemed created and maintained shall be reduced by three (3). The amount the Business must repay shall then be calculated in accordance with Paragraph 13(b)i.
 - iii. Either Commerce or the Governmental Unit shall notify the Owner in writing of the amount to be repaid and direct the Owner whether to repay such amount to the Governmental Unit for return to Commerce or repay the amount directly to Commerce. All such amounts shall be due immediately upon demand by the Governmental Unit or Commerce. If not paid within thirty (30) days following demand, the unpaid amount due hereunder and under the Promissory Note shall bear interest at the rate of 10% per annum after demand until paid. Upon default in such payment, the Governmental Unit or Commerce may employ an attorney to enforce their respective rights and remedies, and the Owner hereby agrees to pay the legal costs and reasonable attorneys' fees of the Governmental Unit and Commerce plus all other reasonable expenses incurred by such party in exercising any of its rights and remedies upon such defaults.
- (c). If there is a breach of any of the requirements, covenants or agreements in this LBC (including, without limitation, a failure to repay the amount required under Paragraph 13(b) within the time required), or if there are any representations or warranties which are untrue as to a material fact in this LBC or in relation to the LBC or the Project

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(including the performance thereof), the Owner agrees that the Governmental Unit or Commerce may require repayment from the Owner of an amount of Loan funds to be determined in their sole discretion but not to exceed the amount of Loan funds the Owner has already received under this LBC. Such requirements, covenants or agreements include but are not limited to Paragraphs 2, 3, 4, 9, 11 and 12 of this LBC.

14. No Waiver by Governmental Unit or the State. Failure of the Governmental Unit or the State (including, without limitation, the Rural Authority and Commerce) at any time to require performance of any term or provision of this LBC shall in no manner affect the rights of the Governmental Unit or the State at a later date to enforce the same or to enforce any future compliance with or performance of any of the terms or provisions hereof. No waiver of the Governmental Unit or the State of any condition or the breach of any term, provision or representation contained in this LBC, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of that or any other term, provision or representation.
15. Waiver of Objections to Timeliness of Legal Action. The Owner knowingly waives any objections it has or may have to timeliness of any legal action (including any administrative petition or civil action) by the Governmental Unit or the State (including Commerce) to enforce their rights under this LBC. This waiver includes any objections the Owner may possess based on the statutes of limitations or repose and the doctrines of estoppel or laches.
16. Special Provisions and Conditions.
 - (a). Nondiscrimination. The Owner agrees that it will not, and will ensure that the Business will not, discriminate by reason of age, race, religion, color, sex, national origin or disability related to the activities of this LBC or the Project.
 - (b). Compliance with Laws. The Owner shall at all times, and shall cause any Business at all times to, observe and comply with all laws, regulations, codes, rules, ordinances and other requirements (together, "Laws") of the state, federal and local governments which may in any manner affect the performance of the LBC or the Project.
 - (c). Non-Assignability. The Owner shall not assign or transfer any interest in the LBC without the prior written consent of the Governmental Unit and Commerce; provided however, that claims for money due to the Owner from the Governmental Unit under this LBC may be assigned to any commercial bank or other financial institution without such approval.
 - (d). Personnel. The Owner represents that it and any Business have or will secure at their own expense all personnel required to monitor, carry out and perform the scope of services of this LBC and the Project. Such employees shall not be employees of the State (including, without limitation, the Rural Authority or Commerce) or the Governmental Unit. Such personnel shall be fully qualified and shall be authorized under state and local law to perform such services.
17. Notice. All notices required or permitted hereunder and all communications in respect hereof shall be in writing and shall be deemed given when personally delivered or when deposited in the United States Mail, certified, return receipt requested, postage prepaid, and addressed as follows:

Rural Economic Development Loan Agreement and
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BUILDING REUSE PROGRAM

EXHIBIT E

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If to the Governmental Unit:

Attn: Warren Wood, City Manager

City of Hickory

P.O. Box 398

Hickory, NC 28603

To the Owner:

Attn: Nathan Lerman

Steel Warehouse

600 River Terminal

Chattanooga, TN 37406

or addressed to such other address or to the attention of such other individual as either party above shall specify in a notice pursuant to this subsection.

- 18. Entire Agreement. This LBC supersedes all prior agreements between the Governmental Unit and the Owner with regard to the Loan and the Project and expresses their entire understanding with respect to the transactions contemplated herein, and shall not be amended, modified or altered except pursuant to a writing signed by both Parties.
- 19. Execution. This LBC may be executed in one or more counterparts, each of which, when executed, shall be deemed an original, and all such counterparts, together, shall constitute one and the same LBC which shall be sufficiently evidenced by one of such original counterparts.
- 20. Construction. This LBC shall be construed and governed by the laws of the State of North Carolina.
- 21. Severability. Each provision of this LBC is intended to be severable and, if any provision of this LBC is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect or impair any other provision of this LBC, but this LBC shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

Rural Economic Development Loan Agreement and
Legally Binding Commitment, Private Owner
BUILDING REUSE PROGRAM

EXHIBIT E

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- 22. Force Majeure. If (a) during the Grant Term the real or personal property located on or constituting the Property suffers damage or destruction caused by acts of God, fires, floods, storms, insurrection, riots, acts of the public enemy, national catastrophe, or similar unexpected events, (b) such damage or destruction was not principally caused by the negligence, willful misconduct or violation of applicable law by the Owner, (c) the Owner uses reasonable efforts to repair, or to work around, such damage or destruction reasonably promptly, and (d) as a direct result of such damage or destruction the Owner cannot satisfy the requirements and obligations of Sections 3 of this Agreement as and when this Agreement requires, then the Owner will be entitled to an extension of time not to exceed sixty (60) days to satisfy the requirements and obligations of Section 3 of this Agreement; provided that the Governmental Unit in its sole discretion with respect to the obligations it is owed by the Owner, may elect to extend that sixty day period to give the Owner additional time to satisfy those requirements.

IN WITNESS WHEREOF, the parties hereto have executed this LBC as of the date first above written.

Governmental Unit Name: City of Hickory

Signature: _____ [SEAL]

Printed Name: Hank Guess

Title: Mayor

Owner Name: Steel Warehouse of North Carolina LLC

Signature: _____ [SEAL]

Printed Name: Nathan Lerman

Title: Vice President

Promissory Note, Private Owner
BUILDING REUSE PROGRAM – Revision #1

EXHIBIT F

2024-026-3201-2587

For VALUE RECEIVED and subject to the terms of and secured by the Rural Economic Development Loan Agreement and Legally Binding Commitment – Private-Owner Building Reuse Program, Reference Number **2024-026-3201-2587** (“LBC,” which is incorporated by reference herein), the undersigned borrower[s] (the “Owner”) jointly and severally promise[s] to pay to lender the **City of Hickory** or its assigns (together, the “Governmental Unit”) or to the intended third-party beneficiary of this Promissory Note, the North Carolina Department of Commerce (“Commerce”), upon demand and as directed by either the Governmental Unit or Commerce, an amount of principal loan (“Loan”) funds under the LBC up to and including **\$240,000.00** Dollars but which amount shall not exceed the amount of Loan funds the Owner has actually received under the LBC, plus interest and attorney’s fees as addressed below. Unless otherwise specified herein, capitalized terms in this Promissory Note shall have the same meaning as those set forth in the LBC.

The Owner acknowledges and represents that: (i) the undersigned is or are the only person(s), entity or entities who or that have any ownership interests in the certain real property located at:

2441 Highland Ave NE
 Hickory, NC 28601

in **Catawba** County, North Carolina (the “Property”); and (ii) the undersigned shall be jointly and severally liable for any and all debts secured by this Promissory Note.

The Owner further acknowledges that: (i) in order for the Owner to receive the Loan, the LBC requires the Owner to complete a “Project”; (ii) in order for the Owner to receive the Loan, what the LBC identifies as the “Business” must maintain certain jobs and create and maintain certain other jobs in working with the Owner to complete the Project; (iii) the Loan from the Governmental Unit to the Owner under the LBC consists entirely of a grant from the State of North Carolina to the Governmental Unit, subject to certain clawback provisions; (iv) Commerce is an intended third-party beneficiary to the LBC and to this Promissory Note; and (v) the LBC specifies those circumstances in which the Governmental Unit or Commerce can terminate the LBC and require the Owner to repay an amount of Loan funds according to a formula or else in an amount to be determined in the sole discretion of the Governmental Unit or Commerce but which amount shall not exceed the amount of Loan funds the Owner has actually received under the LBC.

Upon default, the Governmental Unit and/or Commerce may employ attorneys to enforce their rights and remedies under this Promissory Note and the LBC, and the Owner agrees to pay their reasonable attorneys’ fees, plus all other reasonable expenses they incur in exercising their rights and remedies upon default. The rights and remedies of the Governmental Unit and Commerce, as described in this Promissory Note and the LBC, shall be cumulative and may be pursued singly, successively or together against the Owner (including each of the undersigned), the Property, or any other funds, property or security held by the Owner for payment or security, in the sole discretion of the Governmental Unit and Commerce. The failure to exercise any such right or remedy shall not be a waiver or release of such rights or remedies or the right to exercise any of them at another time.

Promissory Note, Private Owner
BUILDING REUSE PROGRAM – Revision #1

EXHIBIT F

2024-026-3201-2587

The Owner hereby waives protest, presentment, notice of dishonor and notice of acceleration and maturity and agrees to remain bound for the payment of principal, interest and all other sums due under this Promissory Note and the LBC, notwithstanding any change or changes by way of release, surrender, exchange, modification or substitution of any security for this Promissory Note, or by way of any extension or extensions of time for the payment of principal and interest; and the Owner waives all and every kind of notice of such change or changes and agrees that the same may be made without notice of or consent to any of them.

This Promissory Note may not be amended, changed or altered except in writing executed by the Owner, the Governmental Unit and Commerce.

If not repaid within 30 days following demand hereunder, the Loan funds demanded by the Governmental Unit or Commerce under this Promissory Note shall bear interest at the rate of 10% per annum after demand until repaid. If either the Governmental Unit or Commerce initially demands Loan repayment from the Owner (“First Demand”) in an amount less than the Loan funds the Owner has actually received under the LBC but, failing to receive repayment and, in its discretion under the LBC, increases the Loan repayment demand (“Second Demand”) to the full amount the Owner has received under the LBC, then such interest on the difference between the First and Second Demands shall begin to accrue as of the date of the Second Demand.

For example, if under the terms of the LBC, a Business engages in an improper expenditure of Loan funds, the Governmental Unit has the discretion to require in a First Demand the partial repayment of Loan funds received by the Owner. Interest will begin to accrue at 10% per annum on whatever portion of the sum is not repaid as of the 31st day after the First Demand. Further, if the Owner fails to repay the First Demand in full, the Governmental Unit retains the discretion under the LBC to terminate the LBC and issue a Second Demand for the full repayment by the Owner of all Loan funds. Interest will continue accruing at 10% per annum on the original principal amount still unpaid from the First Demand and, following the expiration of 30 days from the Second Demand, interest will begin to accrue at 10% per annum on the additional unpaid principal Loan amount in the Second Demand.

Payment shall be made in lawful money of the United States of America via United States Mail First Class, Federal Express or UPS to the attention of the person at the address or in person at the address of the Governmental Unit or Commerce as directed in writing.

This Note shall be governed by, and construed in accordance with, the laws of the State of North Carolina.

Limited Waiver of Confidentiality
 Unemployment Tax and Wage Records
BUILDING REUSE PROGRAM

EXHIBIT G

2024-026-3201-2587

Name of Taxpayer Steel Warehouse Co., LLC

Address: 272 West Tucker Drive

City: South Bend State: IN Zip: 46619 Phone: 423-622-7636

NC Unemployment Insurance Acct #: Company is obtaining Fed Tax ID #: 20-3534605

I hereby waive any right to confidentiality, as found in N.C.G.S. 96-4 or otherwise, for the limited purpose of authorizing disclosure of certain information contained in the quarterly unemployment insurance tax records of the above-named taxpayer (hereinafter, "Company") filed with the Division of Employment Security ("DES") of the North Carolina Department of Commerce to the **City of Hickory** ("Governmental Unit") and to the employees of the Rural Economic Division of the North Carolina Department of Commerce ("Rural Division") and members of the North Carolina Rural Infrastructure Authority ("Rural Authority") for the limited purpose of evaluating the issuance of and, in the event of such issuance, administering and ensuring compliance with, a grant and loan pursuant to N.C.G.S. 143B-472.127 and .128.

I recognize that DES is authorized to provide this information to the public officials of the Governmental Unit, the Rural Division and the Rural Authority in the performance of their public duties and that the verification of employment information for the purpose of administering the grant and loan at issue is within the scope of the public duties of the Governmental Unit, the Rural Division and the Rural Authority. I hereby authorize DES to disclose information contained in the Company's quarterly unemployment insurance tax records (the NCUI-101 or successor form) to the Governmental Unit, the Rural Division and/or the Authority for these purposes.

I recognize that unemployment insurance tax information provided in the aggregate to DES and disclosed to the Governmental Unit, the Rural Division and/or the Authority, and the Company's aggregated tax and wage information provided to or otherwise in possession of the Governmental Unit, the Rural Division and/or the Authority, may be treated as public information. This waiver is not intended to release the Governmental Unit, the Rural Division and/or the Authority from any obligation they may have under North Carolina law to maintain the confidentiality of any and all information which could reveal or permit someone to ascertain the identity of any individual employee or that employee's line item unemployment insurance tax or other tax or wage information.

 Signature Chief Financial Officer or Other Authorized Company Official

Nathan Lerman

Vice President

 Print Name

 Title

Deed of Trust Documentation
BUILDING REUSE PROGRAM – Revision #1

EXHIBIT H

2024-026-3201-2587

The Department of Commerce strongly encourages, but does not require, the Governmental Unit secure the funds loaned to the property owner, Steel Warehouse of North Carolina LLC, a North Carolina limited liability company, with a Deed of Trust on the property.

Please check the appropriate box below indicating the intention of the Governmental Unit:

- The Governmental Unit will secure the funds with a Deed of Trust listing the City of Hickory as the beneficiary in the amount of \$240,000.00.

- The City of Hickory (“Governmental Unit”) has elected NOT to secure with a deed of trust on the subject property the \$240,000.00 in grant funds awarded by the North Carolina Department of Commerce (“Commerce”) for a building reuse grant. Governmental Unit acknowledges and agrees that it is liable to the State for any grant funds that must be repaid under the Grant Agreement or Legally Binding Commitment, including (without limitation), any required repayments due to the property owner’s failure to create and maintain jobs, which could include the full amount of the grant. Governmental Unit acknowledges that its liability to Commerce arises whether or not it is able to collect any repayment from the property owner under the Legally Binding Commitment, but still elects not to obtain a deed of trust on the subject property.

Please fill in the box below:

Governmental Unit Name:	<u>City of Hickory</u>
By (Signature):	_____
Printed Name:	<u>Hank Guess</u>
Title:	<u>Mayor</u>
Date:	_____

**STATE OF NORTH CAROLINA
COUNTY OF CATAWBA**

**CITY OF HICKORY AND
STEEL WAREHOUSE OF
NORTH CAROLINA LLC
BUILDING REUSE GRANT AGREEMENT**

This **BUILDING REUSE GRANT AGREEMENT** (this "Agreement") is made and entered into this ___ day of _____, 202_, by and between **City of Hickory** (the "City"), a North Carolina municipal corporation, having a mailing address of **76 N. Center Street, Hickory, NC 28601**, and **Steel Warehouse of North Carolina LLC** ("Company" or "Steel"), a Limited Liability Company organized and existing under the laws of the State of North Carolina, having a mailing address of **2722 W. Tucker Drive, South Bend, Indiana 46619**.

WITNESSETH:

WHEREAS, the City has applied to the North Carolina Rural Infrastructure Authority of the North Carolina Department of Commerce ("Commerce") for the award of a grant (the "Grant") to the City from the Building Reuse Program pursuant to NCGS 143B-472.127 and 143B-472.128 to support the renovation of existing buildings owned by the Company at 2441 Highland Avenue NE, Hickory, NC 28601; a copy of the proposed Grant Agreement between the City and Department of Commerce, (including its Exhibits A-H) attached hereto marked as Attachment 1 inclusive of the Exhibits and incorporated by reference herein; and

WHEREAS, as part of the City's application for the Grant and as a condition for the City to be eligible to receive the Grant, the City and the Company are required to enter into a Rural Economic Development Loan Agreement and Legally Binding Commitment ("LBC") of Attachment 1 and Promissory Note (of Exhibit) both attached and incorporated herein; and

WHEREAS, the parties recognize and agree that the State of North Carolina (including, without limitation, Commerce and the North Carolina Rural Infrastructure Authority) is an intended third-party beneficiary of the LBC (including the Loan), and may, at the option of the State, enforce the terms of the LBC or appear as a party in any litigation concerning this Agreement; and

WHEREAS, the Company has agreed to enter into and perform its obligations under these agreements with the City as reflected in Attachment 1 (including its Exhibits A-H) on the additional conditions as set forth in Agreement and upon the further condition that the City agrees to not require Company to execute a Deed of Trust as provided in Attachment 1; and

WHEREAS, the City of Hickory City Council will forego a Deed of Trust upon certain conditions which include Company will create a total of Thirty (30) new full-time positions, that the City will request and disburse grant funds in two phases with the first request occurring after the Company has created a minimum of 15 of the 30 jobs and maintained them for no less than six months, and the second request occurring after all 30 of the required 30 new jobs have been created and maintained for no less than six months for the balance, and that all jobs created are verified as outlined in Sections 1. and Section 2. of Exhibit D of Attachment 1;

NOW, THEREFORE, in consideration of the premises, the parties agree as follows:

1. The Company either has or it will enter into the LBC and Promissory Note with the City.

2. The City agrees to pay the five per cent (5%) match funds in the amount of Twelve Thousand Dollars (\$12,000) as required in Exhibit B of the Grant Agreement as a condition of the City and Company entering into this Agreement and the LBC (Exhibit E of the Grant Agreement). Half of the required match will be paid by Catawba County.

3. Notwithstanding any conflicting provisions of the Grant Agreement and its attached Exhibits A-H, the City, recognizing the Company's concerns regarding the default and repayment provisions specified in Exhibit E, Paragraph 13(b)(iii), agrees to a proactive and phased approach in managing the grant. The City will not secure the grant with a Deed of Trust and will first request funds after a minimum of Fifteen (15) of the required Thirty (30) jobs have been created and maintained for no less than six months, allowing an initial phase of fund disbursement proportionate to the jobs created. A final disbursement will follow once all 30 jobs have been created and maintained for at least six months. This phased funding strategy ensures that the conditions which could trigger repayment under the state agreement will not occur, as the City will only request funds post-verification of job maintenance criteria, thereby mitigating any risk of default. The Company commits to fulfill these job creation conditions in good faith, acknowledging that grant funds will be released progressively as each job creation milestone is satisfactorily met.

4. All notices, certificates or other communications required or permitted to be given or served hereunder shall be deemed given or served in accordance with the provisions of this Agreement if the notice is (i) mailed in a sealed wrapper and is deposited in the United States mail, certified mail, return receipt requested, postage prepaid, or (ii) deposited with a national overnight courier service that retains receipts for its deliveries, properly addressed as follows:

City of Hickory:	City of Hickory Attn: Warren Wood, City Manager 76 N. Center Street Hickory, NC, 28601
------------------	---

Copy to:	City Attorney Attn: Arnita Dula, City Attorney 76 N. Center Street Hickory, NC, 28601
----------	--

Steel:	Steel Warehouse of North Carolina Inc. Attn: Nathan Lerman, Vice President 2722 W. Tucker Drive South Bend, Indiana 46619
--------	--

City or Company, may, by notice given to the other, designate any further or different addresses to which notices, certificates, requests or other communications shall be sent.

5. This Agreement shall inure to the benefit of, and is binding upon, City and Steel Warehouse of North Carolina and their respective successors and assigns. However, neither this Agreement, nor any rights, privileges, nor claims created by this Agreement may be transferred without the prior, written approval of City, which approval will not be unreasonably withheld.

6. Except as otherwise provided in this Agreement, this Agreement may not be amended, changed, modified or altered except by written agreement of the parties.

7. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions of this Agreement.

8. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such fully-executed counterpart.

9. This Agreement is governed by and shall be construed in accordance with the laws of the State of North Carolina; venue shall be in Catawba County.

10. The term of this Agreement shall commence on the date of execution and expire upon fulfillment by each of the parties of all of their obligations under this Agreement and Contract.

11. Both Company and City acknowledge and stipulate that this Agreement is the product of mutual negotiation and bargaining and that it has been drafted by both Company and City. As such, the doctrine of construction against the drafter shall have no application to this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

City of Hickory,
A North Carolina Municipal Corporation

Attest:
(SEAL)

By: _____ **(Seal)**
Hank Guess, Mayor
City of Hickory

Debbie Miller, Clerk

Steel Warehouse of North Carolina LLC

By: _____ **(Seal)**
[NAME], {POSITION}

**STATE OF NORTH CAROLINA
COUNTY OF CATAWBA**

I, _____ a Notary Public of said County and State, certify that Debbie Miller personally came before me this day and acknowledged that she is City Clerk of the City of Hickory, a North Carolina Municipal Corporation, and that by authority duly given and as the act of the body politic the foregoing instrument was signed in its name by its Mayor, sealed with its seal, and attested by herself as City Clerk.

Witness my hand and seal this _____ day of _____, 2024.

[Seal]

Notary Public

My commission expires: _____

**STATE OF _____
COUNTY OF _____**

I, _____ a Notary Public of said County and State, do certify that _____ personally appeared before me this day and acknowledged on behalf of Steel Warehouse of North Carolina the voluntary due execution of the foregoing document, all for the purposes therein expressed.

Witness my hand and seal this _____ day of _____, 2024.

[Seal]

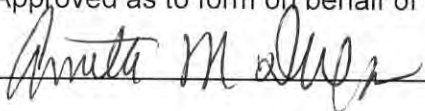
Notary Public

My commission expires: _____

This document has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

_____ Melissa Miller, City Finance Director

Approved as to form on behalf of City of Hickory only:

 _____ Arnita Dula, City Attorney

AGREEMENT BETWEEN THE
WESTERN PIEDMONT COUNCIL OF GOVERNMENTS AND
THE CITY OF HICKORY
FOR THE PROVISION OF
ADMINISTRATIVE ASSISTANCE
NORTH CAROLINA DEPARTMENT OF COMMERCE
RURAL ECONOMIC DEVELOPMENT DIVISION
STEEL WAREHOUSE BUILDING REUSE GRANT
APRIL 18, 2024 – APRIL 18, 2026

This AGREEMENT, entered into on this the 25th day of April 2024 by and between the Western Piedmont Council of Governments (hereinafter referred to as the "Planning Agency") and the City of Hickory, North Carolina (hereinafter referred to as the "Local Government"); WITNESSETH THAT:

WHEREAS, the Planning Agency is empowered to provide technical assistance by the North Carolina General Statutes and by resolution passed by the Planning Agency on April 17, 1972. Technical assistance shall consist of the provision of services as described in Attachment A, which is herein made a part of this Contract;

WHEREAS, the Local Government has requested the Planning Agency to provide such technical assistance to the Local Government; and

WHEREAS, the Planning Agency desires to cooperate with the Local Government in every way possible to the end that the proposed activities are carried out in an efficient and professional manner;

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. **Personnel.** That during the period of this Contract, the Planning Agency will furnish the necessary trained personnel to the Local Government.
2. **Travel/Printing.** The Local Government will pay for expenses related to conferences, conventions, seminars, local travel, etc. of the personnel when the Local Government requests or approves travel related to the Local Government's planning program, or if it is beneficial to both parties, the costs will be shared on an agreed-upon ratio. The Local Government will also pay for expenses related to printing of report(s), mailings to advisory boards, and other costs not related to normal travel and staffing costs associated with personnel furnished by the Planning Agency.
3. **Compensation.** The Local Government will pay the Planning Agency an amount of \$12,000 (twelve thousand dollars) for the satisfactory performance of all

services related to administration of the project as defined in the attached Scope of Services. It is expressly understood and agreed that total compensation shall not exceed the sum specified without prior approval of both agencies.

The Planning Agency will present the Local Government two equal invoices of \$6,000 in September 2024 and September 2025, unless the project is completed sooner. In that event, the Planning Agency will submit a final invoice at project completion so the Local Government can expend the required 5% match required by the funding agency in order to close-out the project.

4. **Termination/Modifications.** The Local Government may terminate this Contract by giving the Planning Agency a thirty-day written notice. Furthermore, if there is a need to amend the proposal outlined in Attachment A, either party may do so with the written approval of the other.
5. **Time of Performance.** The Planning Agency shall ensure that all services required herein should be completed and all required reports, maps, and documents submitted during the period beginning April 18, 2024 and ending April 18, 2026.
6. **Interest of Members, Officers, or Employees of the Planning Agency, Members of the Local Government, or Other Public Officials.** No member, officer, or employee of the Planning Agency or its agents; no member of the governing body of the locality in which the program is situated; and no other public official of such locality or localities who exercise any functions or responsibilities with respect to the program during his tenure or for one year thereafter, shall have any financial interest, either direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under this Agreement. Immediate family members of said members, officers, employees, and officials are similarly barred from having any financial interest in the program. The Planning Agency shall incorporate, or cause to be incorporated, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purpose of this section.
7. **Nondiscrimination Clause.** No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination with any program or activity funded.
8. **Age Discrimination Act of 1975, as amended.** No qualified person shall on the basis of age be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from federal financial assistance.
9. **Section 504, Rehabilitation Act of 1973, as amended.** No qualified disabled person shall, on the basis of handicap be excluded from participation in, be denied

the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from federal financial assistance.

- 10. **Access to Records and Record Retainage.** All official project records and documents must be maintained during the operation of this project and for a period of three years following closeout.
- 11. **Liquidated Damages Clause.** If the project fails to be carried out within the time frame outlined in the administrative proposal due to activities attributed to the Planning Agency, the Local Government may assess the Planning Agency a sum in the amount of \$100 per week for any subsequent weeks until completion.
- 12. **Termination of Agreement for Cause.** If, through any cause, the Planning Agency shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or violate any of the covenants, conditions, or stipulations of this Agreement, the Local Government shall thereupon have the right to terminate this Agreement by giving written notice of such termination and specifying the effective date thereof. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared under this Agreement shall, at the option of the Local Government, become its property, and the Planning Agency shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials in direct proportion to the extent of services actually completed.

IN WITNESS WHEREOF, the Planning Agency and the Local Government have executed this Agreement as of the date first above written.

LOCAL GOVERNMENT:
CITY OF HICKORY

PLANNING AGENCY:
WESTERN PIEDMONT
COUNCIL OF GOV'TS.

By: _____
City Manager

By: _____
Executive Director

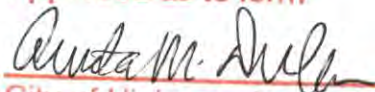
LOCAL GOVERNMENT:

PLANNING AGENCY:

By: _____
Mayor

By: _____
Chair

Approved as to form



City of Hickory – Legal Dept.

Pre-audit statement:

This instrument has been pre-audited in the manner prescribed by the Local Government Budget and Fiscal Control Act.

By: _____
Local Government Finance Officer

ATTACHMENT A
SCOPE OF SERVICES

CITY OF HICKORY
NORTH CAROLINA DEPARTMENT OF COMMERCE
RURAL ECONOMIC DEVELOPMENT DIVISION
WORK PROGRAM/BUDGET
APRIL 18, 2024 – APRIL 18, 2026

Introduction

The Western Piedmont Council of Governments (WPCOG) has worked with City of Hickory on the NC Department of Commerce Rural Economic Development Division Building Reuse Grant for Steel Warehouse Co., LLC. The company intends to renovate a vacant building located at 2441 Highland Ave, Hickory, NC, 28601 and create 30 new, full-time jobs.

The Scope of Services proposal is intended to describe the various administrative activities the WPCOG will provide as related to the NC Department of Commerce Rural Economic Development Division Building Reuse grant funds.

WPCOG Services

Paul Teague will serve as Project Administrator and will provide the following specific activities:

- Assistance with development of the City of Hickory's Award Package.
- Development and management of the overall project filing system.
- Preparation of all pay request recommendations for the City.
- Requisition of the grant funds.
- Monitor job creation by Steel Warehouse Co., LLC.
- Preparation of all reports required by the Department of Commerce.
- Update Manager on status of project.

The City will be responsible for the following:

- Adequate office space including utilities.
- Direct payment of legal and audit services and general administrative costs.
- All administrative costs not specifically identified as WPCOG responsibilities.

Administrative Fee

The WPCOG proposes to provide the above-described services for a fee not to exceed contract of \$12,000.

Amendments and Termination

The City of Hickory can terminate this contract by giving a one-month written notice. Should there be the need to amend this proposal during the term of the project, either party may do so with the approval of the other.

ASSURANCES OF COMPLIANCE

ATTACHMENT B

Executive Order 11246

During the performance of this Contract, the contractor agrees as follows:

- 1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, age, or national origin. Such action shall include, but not be limited to the following: recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
- 2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age, or national origin.
- 3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, notice advising the labor union or workers' representative of the contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965 and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- 4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
- 5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- 6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies involved as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- 7) The contractor will include the provisions of paragraphs (1) through (7) in every subcontract

or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

ATTACHMENT C

Section 3 Clause

"Section 3" Compliance in the Provision of Training, Employment, and Business Opportunities

- a. The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in or owned in substantial part by persons residing in the area of the project.
- b. The parties to this contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this contract. The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
- c. The contractor will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers representative of his commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment and training.
- d. The contractor will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant or recipient of federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR Part 135. The contractor will not subcontract with any subcontractor where it has notice of knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
- e. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued hereunder prior to the execution of the contract, shall be a condition of the federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors or assigns to those sanctions specified by the grant or loan agreement of contract through which federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.

ATTACHMENT D

Lobbying Clause

No Federal appropriated funds have been paid or will be paid, by or on behalf of the Planning Agency or the Local Government, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative, agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

If any funds other than Federal appropriated funds have been paid or will be paid any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Planning Agency and/or the Local Government shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

COUNCIL AGENDA MEMOS**To: City Manager's Office****From: Yaidee Fox, Assistant City Manager****Contact Person: Yaidee Fox, Assistant City Manager****Date: 05/10/2024****Re: Resolution to Oppose the City of Charlotte Interbasin Transfer Request****REQUEST**

Staff request Council approval of the Resolution to Oppose the City of Charlotte Interbasin Transfer Request.

BACKGROUND

North Carolina Environmental Management officials are currently reviewing a request from the City of Charlotte to modify their certificate increase their current transfer of 33 million gallons per day to 63 million gallons of water per day from the Catawba River Basin to the Rocky River Basin; and, this latest request is a trend of additional interbasin transfer water usage from the Catawba River as evidenced by the following:

- Charlotte/Mecklenburg's previously approved certificate of 33 million gallons per day interbasin transfer to the Rocky River in 2002; and
- Concord and Kannapolis's previously approved certificate of 10 million gallons per day interbasin transfer to the Rocky River in 2007

The 2015 Water Supply Master Plan for the Catawba River projected Charlotte's current IBT would be sufficient through 2065 and that Charlotte should not increase its IBT for its growth needs over the next 30 years.

ANALYSIS

The net effect of the aforementioned actions will result in a total increased usage of 73 million gallons per day from the Catawba River Basin to the Rocky River Basin. The City of Hickory and the Western Piedmont Region is considered a growth area for the North Carolina with additional water needs in the future; and that there's a valid concern that interbasin transfers of this magnitude may effectively subsidize growth in receiving areas using the limited water resources of the Catawba River Basin. Reducing the flow of the Catawba River by transferring water could lead to greater concentrations of pollutants in the river, a reduced flow rate diminishing the river's natural ability to dilute and transport pollutants, and have detrimental effects on aquatic ecosystems, recreational activities, and public health within the Catawba River Basin. The Catawba Wateree Water Resource Management Group is actively working to update its water supply master plan for the entire river basin and Charlotte should wait until that process is complete.

RECOMMENDATION

Staff recommends City Council approval of the Resolution to Oppose the City of Charlotte Interbasin Transfer Request.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Reviewed by:

<u>Yaidee Fox</u> Initiating Department Head	<u>5/10/24</u> Date	<u>Amanda M. Dula</u> Deputy City Attorney, A. Dula	<u>5-13-24</u> Date
<u>Rodney Miller</u> Asst. City Manager Rodney Miller	<u>5/13/24</u> Date	<u>R. Beasley</u> Asst. City Manager, R. Beasley	<u>5/16/24</u> Date
<u>Melissa Miller</u> Finance Officer, Melissa Miller	<u>5/13/24</u> Date	<u>Cameron McHargue</u> Deputy Finance Officer, Cameron McHargue	<u>5-14-24</u> Date
<u>Yaidee Fox</u> Asst. City Manager Yaidee Fox	<u>5/15/24</u> Date		

Recommended for approval and placement on May 21, 2024 Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

W. Wood
City Manager, W. Wood

5.15.24
Date

RESOLUTION 2024-__

RESOLUTION TO OPPOSE THE CITY OF CHARLOTTE INTERBASIN TRANSFER REQUEST

WHEREAS, North Carolina Environmental Management officials are currently reviewing a request from the City of Charlotte to modify their certificate increase their current transfer of 33 million gallons per day to 63 million gallons of water per day from the Catawba River Basin to the Rocky River Basin; and

WHEREAS, this latest request is a trend of additional interbasin transfer water usage from the Catawba River as evidenced by the following:

Charlotte/Mecklenburg's previously approved certificate of 33 million gallons per day interbasin transfer to the Rocky River in 2002; and

Concord and Kannapolis's previously approved certificate of 10 million gallons per day interbasin transfer to the Rocky River in 2007; and

WHEREAS, the net effect of the aforementioned actions will result in a total increased usage of 73 million gallons per day from the Catawba River Basin to the Rocky River Basin; and

WHEREAS, the Catawba River and its tributaries are not an unlimited supply of water as evidenced by previous years of drought conditions experienced most notably by the Upper Catawba Basin and the entire State of North Carolina; and

WHEREAS, City of Hickory and the Western Piedmont Region is considered a growth area for the North Carolina with additional water needs in the future; and that there's a valid concern that interbasin transfers of this magnitude may effectively subsidize growth in receiving areas using the limited water resources of the Catawba River Basin; and

WHEREAS, issues of equity and sustainability are in question, as it involves one region bearing the environmental and infrastructural costs of supporting growth in another region, and it is essential to consider the long-term implications and fairness of such resource allocations; and

WHEREAS, reducing the flow of the Catawba River by transferring water could lead to greater concentrations of pollutants in the river, a reduced flow rate diminishing the river's natural ability to dilute and transport pollutants, and have detrimental effects on aquatic ecosystems, recreational activities, and public health within the Catawba River Basin; and

WHEREAS, the Hickory City Council is concerned the proposed inter-basin transfer will limit the amount of water available for withdraw to support growth in our area due to regulation limits under state and federal laws; and

WHEREAS, the Hickory City Council does hereby express its concern about the long-term availability of water within the Catawba River Basin and believes transferring water from the Catawba River Basin to the Rocky River Basin could indeed limit future growth opportunities for local communities in the Catawba River Basin; and

WHEREAS, the Catawba Wateree Water Resource Management Group is actively working to update its water supply master plan for the entire river basin and Charlotte should wait until that process is complete; and

WHEREAS, previous studies for the Catawba River called for the elimination of interbasin transfers as a strategy to protect the river and water supplies during drought conditions and an IBT should be a temporary measure to accommodate growth and not a permanent solution; and

WHEREAS, the 2015 Water Supply Master Plan for the Catawba River projected Charlotte's current IBT would be sufficient through 2065 and that Charlotte should not increase its IBT for its growth needs over the next 30 years; and

WHEREAS, Charlotte should instead use that time to implement water infrastructure and policies to eliminate its current IBT certificate issued in 2002; and

WHEREAS, water availability is crucial for sustaining economic development, agriculture, and quality of life in growing communities and if water is diverted elsewhere, it may constrain the ability of communities within the Catawba River Basin to support their own development and population growth; and

WHEREAS, our region should not be forced to give up its potential growth opportunities to subsidize Charlotte growth with our water resources; and

NOW, THEREFORE, BE IT RESOLVED that the Hickory City Council requests that the North Carolina Environmental Management Commission deny the City of Charlotte interbasin transfer request to modify their certificate to transfer 63 million gallons of water per day from the Catawba River Basin to the Rocky River Basin.

Adopted this 21st day of May, 2024.

Mayor
City of Hickory

ATTEST:

City Clerk



Creative Regional Solutions Since 1968

1880 Second Avenue NW | Hickory, NC 28601
 PO Box 9026 | Hickory, NC 28603
 828.322.9191 | Fax: 828.322.5991 | www.wpcog.org

Talking Points: Charlotte Interbasin Transfer Request

May 8, 2024 Public Input Meeting (5:30pm)
 Ridgeview Branch Library, 706 1st Street NW, Hickory, NC

Issue: Charlotte Water filed a notice of its intent to request an increase from 33 million gallons per day (MGD) to 63 MGD regarding the water it transfers from the Catawba River Basin to the Rocky River Basin, a tributary of the Yadkin/Pee Dee River.

History: Interbasin transfers (IBTs) are regulated and approved by the state through the Environmental Management Commission within the NC Department of Environmental Quality. In 2002, Charlotte Water received approval to transfer 33 MGD from the Catawba River to the Rocky River Basin. In 2005, Concord and Kannapolis requested 36 MGD from the Catawba River Basin to the Rocky River Basin. The compromise approved in 2007 allows for 10 million gallons per day from the Catawba, but reduces that number during drought. This occurred after extensive public debate and the state law was amended to further define the interbasin transfer approval process.

Key Points:

- The local governments in our region are concerned about the negative impacts of Charlotte's request to transfer additional water from the Catawba River Basin into the Rocky River which is part of the Yadkin River Basin.
- Like all rivers, the Catawba River is a limited resource that is vital to life and economic growth.
- IBTs of this magnitude subsidize growth in other areas using the limited resources of the Catawba River.
- The NC Environmental Management Commission approved a Charlotte requested IBT in 2002 for 33 million gallons per day and approved another IBT in 2007 for 10 million gallons per day for Concord and Kannapolis.
- These existing IBT approvals and the new request of 30 million gallons from Charlotte would total more than 73 million gallons of water per day.
- We are very concerned the proposed transfer will limit the amount of water available for withdraw to support growth in our area due to regulation limits under state and federal laws.
- Charlotte should implement land use and infrastructure policies in a sustainable manner to avoid such large IBTs.
- The Catawba Wateree Water Management Group was established a number of years ago to coordinate resources and make plans to enhance the river basin.

Executive Committee: Joseph L. Gibbons, Chair | Randy Burns, Vice Chair | Larry Chapman, Secretary | George B. Holleman, Treasurer | Jill Patton, Past Chair | **At-Large Members:** Mike LaBrose | Cole Setzer | Marla Thompson | Larry Yoder | **Executive Director,** Anthony W. Starr

Serving: Alexander County | Taylorsville | Burke County | Connelly Springs | Drexel | Glen Alpine | Hildebran | Morganton | Rutherford College | Valdese | Caldwell County | Cahah's Mountain | Cedar Rock | Gamewell | Granite Falls | Hudson | Lenoir | Rhodhiss | Sawmills | Catawba County | Brookford | Catawba | Claremont | Conover | Hickory | Long View | Maiden | Newton

- Charlotte only recently informed the Catawba Wateree Water Management Group of its intentions regarding this very large IBT increase.
- The Resource Management Group is actively working its water supply master plan for the entire river basin. Charlotte should wait until that process is complete.
- Existing projections, by the Catawba Wateree Water Management Group, for net water withdrawals already show substantial increases in water supply demand for the Catawba River Basin over the next 30 years. This Charlotte IBT request will further stress this limited resource.
- A few years ago, we experienced severe drought conditions that depleted water levels to a point that nearly interrupted public drinking water supplies. This IBT will exacerbate that issue with the next drought.
- We are also concerned about the negative impact of increasing water pollutant concentrations with an IBT of this magnitude that would add further degradation of an already stressed ecosystem.
- Increased pollutant concentrations resulting from this IBT will indirectly cause an increase in wastewater treatment costs for local governments along the river.
- Charlotte has provided very limited information about their request, the alternatives they have considered, and the cost of those alternatives to their forthcoming IBT application.
- Previous studies for the Catawba River called for the elimination of interbasin transfers as a strategy to protect the river and water supplies during drought conditions. This request would further expose communities in the Catawba River Basin to water shortages during drought conditions.
- The 2015 Water Supply Master Plan for the Catawba River projected Charlotte's current IBT would be sufficient through 2065 and yet another request is apparently forthcoming.
- Charlotte should not increase its IBT for its growth needs over the next 30 years but should instead use that time to implement water infrastructure and policies to eliminate its current IBT certificate issued in 2002.
- An IBT should be a temporary measure to accommodate growth and not a permanent solution.
- In summary, our region should not be forced to give up its potential growth opportunities to subsidize Charlotte growth with our water resources.

