

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 2, 2023 at 7:00 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, Deputy City Attorney Arnita Dula, City Attorney John W. Crone, III, Deputy City Clerk Crystal B. Mundy and City Clerk Debbie D. Miller

I. Mayor Guess called the meeting to order. All Council members were present.

II. Invocation by Reverend Charles Kyker, Christ United Methodist Church

Mayor Guess mentioned that Reverend Kyker also served as one of the Police Chaplains and he thanked him for his service in that area as well.

III. Pledge of Allegiance

IV. Special Presentations

A. Presentation of a Proclamation for Building Safety Month – May 2023.

Mayor Guess asked Fire, Police, and Code Enforcement staff to the podium. Mayor Guess read and presented the Proclamation for Building Safety Month. He commented that each of these folks here today represented some arm of building safety, and it goes without saying, you watch the news sometimes and you see in other countries who are not as fortunate as us and maybe even some places within the United States where building collapses and things like that happen. These folks helped to ensure that to the best of their abilities, that we do not have those issues here in the City of Hickory. They appreciated the job that each and every one does and the responsibility they have for building safety. On behalf of the Council, he thanked each of them.

Chief Reed Baer appreciated everything that staff did. One thing they had learned over the years was when they have buildings that have fallen into disarray, and they have to get code enforcement involved and there was criminal activity as well. This was a two-pronged approach.

Council members thanked staff.

B. Presentation of a Proclamation to Kim Pate, Lenoir-Rhyne University.

Mayor Guess asked Kim Pate, Vice President of Athletics at Lenoir-Rhyne University to the podium. Mayor Guess commented that she was no stranger to our City and certainly no stranger to himself or City Council. He mentioned that the City had a tremendous partnership with Lenoir-Rhyne University and Ms. Pate certainly was a part of that relationship and partnership that they have. He especially wanted to honor her and her accomplishments this evening with a Proclamation as well. Mayor Guess read and presented her with the Proclamation.

Vice President of Athletics at Lenoir-Rhyne University Kim Pate commented this was not the kind of attention that she was used to. She was much more comfortable shining light on their amazing student athletes, one was present tonight, their coaches and certainly her administrative leadership team. This really should be the LR Athletics Day, because as they knew, when you're part of a team, there was not one individual that makes things happen. None of the things that Mayor Guess mentioned could have been accomplished with just her. She was so incredibly blessed to work with an amazing group of administrators. She recognized Justin Hay. She did not know when he slept when all those projects were going on. He did an amazing job of seeing those projects to fruition. She referred to a bunch of national coaches of the year, incredible student athletes who were doing big things in the classroom and in their sport. She was absolutely humbled for this recognition, and she would not want to be in any other city leading an athletic department other than Hickory, North Carolina. She thanked Mayor Guess and City Manager Warren Wood.

Mayor Guess commented they did not want her to be in any other city.

C. Presentation of a Proclamation to Alexis Brown, Lenoir-Rhyne University.

Mayor Guess asked student athlete at Lenoir-Rhyne University Alexis Brown to the podium. Mayor Guess read and presented a Proclamation to Alexis Brown.

Alexis Brown thanked her coaches, and her really good friend Damasha who was present. She could not have done it without them.

D. Presentation of the Rudy Wright International Service Award to Joseph Thomas.

Mayor Guess asked Tracy Trimble to the podium to give a synopsis of what this award encompassed.

Ms. Tracy Trimble advised she was a board advisory member with the Greater Hickory International Council. She noted that several of their members were in attendance. She gave some background about the organization. On May 7, 2002, the Hickory International Council was established by the late Hickory Mayor Rudy Wright and the Hickory City Council to serve as a forum for the international community in Hickory and to advise City Council regarding ways to improve Hickory as an international city that welcomes and values international visitors, residents, and businesses of all backgrounds and all ethnicities. On July 1, 2019 with the help and the support of current Mayor Hank Guess, the Hickory International Council transitioned to a nonprofit organization and expanded its mission to serve the entire Greater Hickory Metro region. Its name was officially changed to the Greater Hickory International Council which now inclusively served the four-county region of Alexander, Burke, Caldwell, and Catawba counties.

Ms. Trimble discussed the mission of the Greater Hickory International Council which was to promote goodwill, cultural awareness, cooperation, education, and mutual respect through partnerships and community events. In 2023, the Greater Hickory International Council created the Rudy Wright International Service Award, which was an annual award that recognized an individual, a business, or an organization that exemplifies this mission and advances Mayor Wright's vision to create an all-inclusive and welcoming region for all. Joseph Keller Thomas V. was a volunteer defense attorney for Teen Court for defendants through the Conflict Resolution Center. He represented clients of different cultural backgrounds and ethnicities on charges such as illegal possession of substances, affray, and property damage. Cultural awareness was a key component of his job as the defendants and the jury often come from a wide variety of backgrounds and cultures. It was Joseph's mission to educate, communicate, and create empathy for his clients in the eyes of the jury so they have more cultural awareness and tolerance of any mitigating factors that could help to provide a better understanding of the defendant's actions. This allows them to create a more productive sentence that helps these teens serve their time while proactively growing and learning from their experience. They were then able to exit the Teen Court system in hopes of a better future while offering a more beneficial contribution to their communities. Many of these teens actually decided to volunteer additional time and some even end up joining the Teen Court system permanently in an effort to help others like themselves. Joseph also recruits youth from the area schools and encourages them to serve within the team court system and the international communities as well. This year was their inaugural year and as a committee they felt that Joseph was really the best candidate that exemplified the mission. She asked Mayor Guess to come to the podium to present the award. She also asked Donna Wright, Hani Nassar, and Joseph Thomas to join them.

Mayor Guess commented it was their esteemed honor at this time to present this first year's inaugural Rudy Wright International Service Award to Joseph Keller Thomas V. for his outstanding contributions to our international community. Joseph received a plaque which read "With deepest appreciation and recognition for the outstanding contribution you have made on behalf of the international community by serving as a defense attorney for teens of diverse backgrounds, cultures, and ethnicities. You have unselfishly devoted your time to advocating for cultural awareness, tolerance and understanding throughout our regional judicial system for the betterment of all of our communities". He asked Ms. Donna Wright to speak.

Ms. Donna Wright gave a little bit of background regarding the award. When Hani Nassar and Tracey Trimble first approached her about doing this award, she felt like it was most appropriate. One of the reasons, for those who knew Rudy, he loved to travel and that was his one vice that he really loved. Before they would go on trips, he would always study and study and do his homework. He was her travel guide. One thing he would do with the City, he would do his shopping at City Hall and for every trip he would come and get monogrammed Hickory shirts, monogrammed ball caps, and last but not least a ton of miniature keys to the City, which he passed out all over this world to anybody and everyone that would talk to him. That was his thing. He loved the International Council. It was his passion, and he really hoped that it would really make a better place for Hickory and for everyone to be a part of. She thanked Mr. Nassar and Ms. Trimble and the International Council for all of their time and hard work in putting this annual award together. She hoped it grew to be a very special award for all who received it. She was thrilled that Joseph was the recipient of it this year. She knew Rudy would love it and she knew he was looking down now upon him. She congratulated Joseph and hoped he would continue to make a difference.

Mr. Hani Nassar advised, along with the plaque, there was a \$1,000 check in the name of Joseph plus a couple of other things. He thanked Joseph and presented him with the check.

Mr. Joseph Keller thanked not only the International Council for giving this opportunity, but he also thanked the Conflict Resolution Center here in Hickory. They were the program that helped start Teen Court, which was very recent, but they also do a lot of other programs such as justice circles. He commented if you're here, then obviously you care about the community and you want it to be a great place, not only for you but for your children and the youth in the area. He could not recommend volunteering there enough. For example, they could be a mentor at justice circle, where you sit around and give some guidance to the youth. He had been in a couple of those helping out and adult volunteers were always a very important part of it. If they were interested, they could look up the Conflict Resolution Center in Hickory, they were a great program and honestly, the impact that they have had on the community, not only for those who were in the program, but for those who volunteered had been absolutely stellar and he could not recommend them enough and thank them. He thanked everyone for their time. Photos were taken.

Mayor Guess referred to the special presentations, he thought that each and every one of these was very special and they appreciated the job that the community does on a daily basis.

V. Persons Requesting to Be Heard

VI. Approval of Minutes

A. Special Meeting of April 13, 2023.

Alderman Patton moved, seconded by Alderman Zagaroli that the Special Meeting Minutes of April 13, 2023 be approved. The motion carried unanimously.

B. Regular Meeting of April 18, 2023

Alderman Patton moved, seconded by Alderman Seaver that the Regular Meeting Minutes of April 18, 2023 be approved. The motion carried unanimously.

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

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

A. Budget Revision Number 20. (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.

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

A. Approved a Cemetery Deed Transfer from Larry D. Huffman, Single, to Jerry Wayne Isenhour and Kathy Marie Huffman Isenhour, Husband, and Wife, Being Lots 7, 8, & 3, 4, Plot K8 & J8, Section 58, Containing 4 Graves in Oakwood Cemetery, Containing Approximately 160 Square Feet. (Prepared by Kimberly H. Whitley, Attorney at Law).

B. Approved the Notice of Delinquent Taxes within City of Hickory Limits and Issued an Order for Staff to Advertise all Real and Personal Current Fiscal Year Tax Amounts in a Newspaper having General Circulation in the Hickory Area.

G.S. 105-369(a) mandates that the tax collector must first inform the governing body of and then advertise the "total amount of unpaid taxes for the current fiscal year that are liens on real property". The 2022 real property delinquent dollar amount is \$286.14 and the 2022 personal property (\$365.84) and business personal property (\$51,521.41) for Burke County total \$51,887.25. A taxing unit has the option of advertising personal property taxes that are not a lien on real property, but the cost of that advertisement may not be passed along to taxpayers as is the cost of the real property tax lien advertisement. The amount advertised should be only the principal amount of taxes owed, not including any interest, costs, or fees. G.S. 105-369(c) requires that real property tax liens for the current year be advertised at any time from March 1 through June 30. Three actions must occur before the advertisement may be published and posted. (1) The governing body is informed of the "total amount of unpaid taxes for the current fiscal year that are liens on real property." (2) The governing body must issue an order to the tax collector to advertise the tax liens; the order will be issued, presumably, immediately upon receipt of the tax collector's report. (3) At least thirty days before the

advertisement is published and posted, the tax collector must provide written notice to the affected taxpayers of the intent to publish outstanding current tax liens. When a taxpayer files a bankruptcy petition, an “automatic stay” immediately becomes effective. Essentially this stay bars any effort by a creditor to collect a debt from the debtor in bankruptcy. The advertisement of a tax lien arguably qualifies as an act to enforce a tax lien and is therefore barred by the automatic stay. The Tax Collector has informed City Council of the unpaid tax amounts for the current fiscal year. It is recommended that City Council issue an order to advertise all real and personal current fiscal year tax amounts in the Hickory Daily Record in an attempt to collect the outstanding taxes.

- C. Approved the Issuance of Pyrotechnic Display Permits to PyroStar Entertainment for Fireworks Displays at the Hickory Motor Speedway on May 12, and May 13, 2023 (Rain Dates, June 23, and June 24, 2023).

Staff requests approval to issue pyrotechnic display permits to PyroStar Entertainment for fireworks displays at the Hickory Motor Speedway for May 12 and May 13, 2023 (rain dates June 23 and June 24, 2023). Kevin Piercy, General Manager of Hickory Motor Speedway, submitted a request to obtain permission to conduct public fireworks displays on the aforementioned dates. The North Carolina Fire Code requires an operational permit for the use and handling of pyrotechnic special effects material. The Hickory Fire Department Fire & Life Safety Division shall review all required documentation for the event, including Alcohol Tobacco and Firearm’s (ATF) License, Operator and Assistant Operators Permits from North Carolina Office of State Fire Marshal (NCOSFM), Site Plan, and the one-million-dollar liability insurance policy. The Fire & Life Safety Division will also inspect the pyrotechnics display area before the event to ensure compliance with NCOSFM Guidelines, National Fire Protection Association (NFPA) NFPA 1123 Code for Fireworks Display, and NFPA 1126 Use of Pyrotechnics Before a Proximate Audience (if applicable). Staff recommends approval of the above pyrotechnics displays.

- D. Approved the Community Relations Council’s Spring 2023 Grant Recommendations.

The City of Hickory Community Relations Council (CRC) requests approval of the grant recommendations for the Spring 2023 grant cycle. As part of the CRC work plan and annual budget process, the Community Relations Council receives funds to disperse during the fiscal year through the CRC grant process. Non-profit agencies working with diverse populations in Hickory are eligible for grant funding. The grant proposal must show how the program under consideration fits into the CRC goals and mission and how the program will serve to improve human relations in the Hickory area. For the Spring 2023 grant cycle, the CRC received seventeen grant applications for projects totaling \$23,300.39 and recommends approval of the following eight grants: Let Me STEAM - \$2,000; Hickory Music Factory - \$1,500; Hickory Area Ministers (HAM) - \$1,500; Hickory Museum of Art - \$1,000; Morning Star’s Joseph Hill Tutorial Program - \$1,500; Hickory Community Theatre - \$1,500; Centro Latino - \$1,000; and Catawba County Council on Aging - \$750, totaling \$10,750. Funds are available in the CRC budget for the recommended grant approvals.

- E. Approved Change Order 5 to the Agreement with Vaughn & Melton Consulting Engineers, Inc. for Design Modifications and Consulting Services Related to OLLE Art Walk Multiuse Trail Project, EB-5911 in the Amount of \$81,710.73 Contingent Upon North Carolina Department of Transportation (NDOT) Concurrence.

Staff requests Council’s approval of change order number five to the Agreement for Professional Services with Vaughn & Melton Consulting Engineers, Inc. for construction phase services including design modifications and consulting services as directed by the City of Hickory during the construction phase of EB-5911 in the amount of \$81,710.73 contingent upon NCDOT concurrence. The OLLE Art Walk Multi-Use Trail Project is one of the projects envisioned in the Bond Referendum and is intended to provide improved connectivity from City Walk to Riverwalk and Aviation Walk. This project has received Federal funding at 80/20 ratio, Federal and City, respectively. Change order number five for the OLLE Art Walk Multi-Use Trail identifies additional services that include design modifications, utility coordination and consulting services during the construction phase of this project. Staff recommends Council’s approval change order number 5 to the agreement for Professional Services with Vaughn & Melton Consulting Engineers, Inc. for design modifications and consulting services related to EB-5911 in the amount of \$81,710.73 contingent upon NCDOT concurrence.

- F. Called for a Public Hearing to Consider the Voluntary Contiguous Annexation of Property Owned by Discovery Christian Fellowship Church, Inc. Located at 2201 Startown Road, Newton, PIN 3721-13-22-2922, Containing Approximately 17.728-Acres. (Authorized Public Hearing for May 16, 2023, at 7:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).

RESOLUTION NO. 23-22
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 Discovery Christian Fellowship Church, Inc. requesting annexation of an area described in a petition was received on April 19, 2023, 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 Discovery Christian Fellowship Church, Inc. containing 17.728 acres more or less, located 2201 Startown Road, Newton NC, identified as PIN 3721-13-22-2922.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hickory this 20th day of April, 2023.

/s/ Debbie D. Miller, City Clerk

RESOLUTION 23-23
RESOLUTION FIXING DATE OF PUBLIC HEARING ON QUESTION OF ANNEXATION,
PURSUANT TO G.S. 160A-31 OR G.S. 160A-58.1, AS AMENDED

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

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

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

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

Section 1: That a public hearing on the question of annexation of the area described herein will be held at 7:00 p.m. on May 16, 2023, 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 Discovery Christian Fellowship Church, Inc. containing 17.728 acres more or less, located 2201 Startown Road, Newton NC, identified as PIN 3721-13-22-2922.

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. 23-24
A RESOLUTION DETERMINING THE INTENT TO ANNEX INTO THE CORPORATE
LIMITS OF THE CITY OF HICKORY CERTAIN PROPERTY OWNED BY DISCOVERY
CHRISTIAN FELLOWSHIP CHURCH, INC. AND CALLING FOR A PUBLIC HEARING
ON THE SAME

WHEREAS, Discovery Christian Fellowship Church Inc. is the owner of certain real property as described herein, which property is located at 2201 Startown Road, Newton, NC identified as PIN 3721-13-22-2922, and containing 17.728 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 2nd day of May 2023, at a regularly scheduled meeting of the governing body of said Council, duly called and posted in accordance with the statutes of the State of North Carolina, as follows:

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

Section 2: That a public hearing on the question of annexation of the area described herein will be held at 7:00 p.m. on May 16, 2023, 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 Discovery Church Voluntary Contiguous Annexation Map 1 Current City Boundary, subject property outlined in red; Discovery Church Voluntary Contiguous Annexation Map 2, Current Zoning, subject property outlined in red; Discovery Church Voluntary Contiguous 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.

- G. Called for a Public Hearing to Review and Adopt the System Development Fees Compliant with the Requirements of SL 2017-138. (Authorized Public Hearing for May 16, 2023, at 7:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).
- H. Approved on First Reading Budget Revision Number 21.

ORDINANCE NO. 23-10
BUDGET REVISION NUMBER 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, 2023, and for the duration of the Project Ordinance noted herein.

SECTION 1. To amend the General Fund within the FY 2022-23 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Culture & Recreation	34,160	-
Transportation	880	-
General Government	508,326	1,100,000
Public Safety	18,501	-
Other Financing Uses	1,100,000	-
TOTAL	1,661,867	1,100,000

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

FUNCTIONAL AREA	INCREASE	DECREASE
Sales and Services	31,510	-
Miscellaneous	3,530	-
Other Financing Sources	526,827	-
TOTAL	561,867	-

SECTION 2. To amend the Capital Reserve Fund within the FY 2022-23 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Uses	508,326	-
TOTAL	508,326	-

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

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	508,326	-
TOTAL	508,326	-

SECTION 3. To amend the Airport Fund within the FY 2022-23 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Transportation	1,100,000	-
TOTAL	1,100,000	-

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

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	1,100,000	-
TOTAL	1,100,000	-

SECTION 4. To amend the American Rescue Plan (#410001) Capital Project Ordinance the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financial Uses	18,501	-
TOTAL	18,501	-

To provide funding for the above, the American Rescue Plan (#410001) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Restricted Intergovernmental	18,501	-
TOTAL	18,501	-

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 a Joint Economic Development Agreement with Merchants Distributors, LLC and MDI Management, LLC – Presentation by Business Services Manager Dave Leonetti.

Staff requests City Council's consideration of a Joint Economic Development Agreement with Merchants Distributors, LLC and MDI Management, LLC. Merchants Distributors, LLC and MDI Management, LLC own and operate the distribution facility at 5005 Alex Lee Blvd in Hickory. In October 2020, the City approved a joint economic development agreement with these entities for infrastructure development and property tax incentives in exchange for their investment of at least \$120 million and the creation of 111 jobs. The business estimates additional private investment of at least \$35,000,000 in the property. The investment will stimulate and stabilize the local economy and result in the creation of a substantial number of new, permanent jobs in the county. To stimulate this investment, the City proposes a joint economic development agreement that includes an infrastructure development grant and partial refunds of property tax payments. Staff recommends Council's consideration of the Joint Economic Development Agreement with Merchants Distributors, LLC and MDI Management, LLC.

The public hearing was advertised in a newspaper having general circulation in the Hickory area on April 21, 2023.

City Manager Warren Wood asked the Business Services Manager Dave Leonetti to the podium to present Council with a Joint Economic Development Agreement with Merchants Distributors, LLC and MDI Management, LLC.

Business Services Manager Dave Leonetti gave a PowerPoint presentation. He discussed a Joint Economic Development Agreement between Merchants Distributors, LLC, MDI Management, LLC, and the City of Hickory. This was a fairly exciting project. He shared some background. MDI was founded in Hickory in 1931 by Moses George, a Lebanese immigrant and his two sons. It was a privately owned company. Their headquarters were in Hickory. They were also affiliated with the Alex Lee Corporation and had their headquarters downtown and then the MDI facility in Caldwell County. They distribute food and non-food items to over 600 stores in the US and over 20 countries. They do retail automation, advertising, and retail price hosting. They were the City's largest taxpayer. As of January 1, 2023, their total assessed value was over \$158 million, and the value of the rolling stock pushed that total to over \$205 million. That number was more than 30% higher than the next on the list. They were at about 1.2 million square feet at their facility in Caldwell County and they were in the midst of a 200,000 square foot expansion not related to this project, it was the one that was approved back in October of 2020. They own approximately 480-acres, and they employ over 1,800 folks at this facility. This project involved a \$35 million investment in both real and personal business property. The 2020 project that was underway now was largely an automation project where they were adding 200,000 square feet of space and creating automation that could pick all the different items off the shelves. This added perishable space, refrigerated space that could chill things at 34 degrees. As some of their existing ambient space would be converted into that chilled space to be able to house perishable goods at the facility. The project would create jobs that would pay an average of \$59,000 which was more than the current average Caldwell County wage. According to some State economic estimates, it was estimated to grow the State economy by over \$300 million during the 12 years of the project.

Mr. Leonetti discussed an outline of the incentives. North Carolina was providing a little over a million dollars in incentives related to job creation. Caldwell County has a 10-year tax incentive and a \$472,000 grant for new and retained jobs. The City of Hickory's contribution to this would be an eight-year tax incentive and a \$350,000 infrastructure grant. This was a little different than some. He mentioned he was presenting and not Mr. Scott Millar. Most of the City's projects were in Catawba County. They had worked with the Caldwell County EDC on this project. This one was a little different because Caldwell County was a tier one county which of the counties in North Carolina, the 20 most distressed counties were designated as tier one. That was economic distress. This was also a critical targeted industry that lead to a little bit more aggressive incentive than what the City would normally do for a project in Catawba County. The investment was actually a relatively short turnaround timeframe. They were in the process of designing this and hoped to be pulling permits soon. By December 31, 2025 this project would be complete. He referred to the PowerPoint and displayed an outline of the way the property tax incentive would be structured; 90% in year one, 80% in year two, and then years three through eight would be a 75% tax abatement. They were not true abatements in North Carolina, they pay their taxes and then the City pays a portion of that amount back to them. The other important thing to know was that they establish the baseline tax value, and the incentives were only based on what was created over and above that current tax value. The numbers represented a ceiling. Everything would be based on the investments that were actually made and then what the county tax assessor actually assessed those improvements at. Then there was also an infrastructure development grant of \$350,000 to assist in the extension of onsite and offsite utilities to the facility. They plan on breaking ground in the coming months. He asked for any questions.

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

Alderwoman Patton moved, seconded by Alderwoman Williams approval of the joint economic development agreement with Merchants Distributors, LLC and MDI Management, LLC. The motion carried unanimously.

2. Approved the Community Development Block Grant 2023-2024 Annual Action Plan – Presentation by Business Services Manager Dave Leonetti.

In program year 2023, the City of Hickory will receive \$328,228 through the U.S. Department of Housing and Urban Development, and approximately \$160,000 in program income from repayments of loans made with Community Development Block Grant (CDBG) funds for a total of \$488,228. Funds will be used to develop stronger communities by providing decent housing, creating suitable living environments, and expanding economic opportunities, principally for people of low and moderate incomes. The City of Hickory's 2020-2024 Consolidated Plan is updated on an annual basis through the development of an Annual Action Plan. This plan sets priorities among these needs and sets out an action plan for use of available funds on a yearly basis. This provides for flexibility in determining priorities as the needs of the community change from year to year. The 2023 Annual Action Plan will be submitted to the U.S. Department of Housing and Urban Development upon approval by City Council. The plan will serve as the City's strategy for administering 2023 Federal funds for community development and housing. The proposed budget line items are as follows: Housing Rehab/Purchase Rehab Program - \$125,000; Public Infrastructure and Facility Improvements - \$175,000; Small Business Assistance Program - \$60,000; Public Service Activities - \$48,500; Contingency - \$7,878; Program Administration and Fair Housing - \$71,850; Total CDBG - \$488,228. The Citizen's Advisory Committee reviewed the draft action plan at their meeting on March 2, 2023 and recommended approval of the proposed budget. Staff requests Council's consideration of the CDBG 2023-2024 Annual Action Plan.

The public hearing was advertised in a newspaper having general circulation in the Hickory area on March 31, April 17, and May 2, 2023.

City Manager Warren Wood asked the Business Services Manager Dave Leonetti to the podium to present Council with the Community Development Block Grant 2023-2024 Annual Action Plan.

Business Services Manager Dave Leonetti gave a PowerPoint presentation. He discussed the Community Development Block Grant 2023-2024 Annual Action Plan. This was an annual process. The City received funding from the US Department of Housing and Urban Development (HUD) every year due to the City of Hickory's status as a principal city within a metropolitan statistical area within our urban region. This year's budget they were planning on getting \$328,000 through their annual allocation and also expected to receive approximately \$160,000 in program income. Program income was the money that the City received back through any loans that they gave out or property that they improved with the community development block grant funding. It was a little higher than last year's, he thought that it was around \$110,000 last year. They budget conservatively. There had been some payoffs of down payment assistant loans and people that had sold homes that had housing rehab loans. The property that was sold to JRN was another \$30,000 that was not necessarily budgeted because they were not 100% sure that was happening. There was also an outstanding loan that they gave to Habitat for Humanity to reconstruct a home where they had torn down a property. That was another \$45,000 that when they finish the house that would come back into the program. The total budget of this plan was \$488,228.

Mr. Leonetti referred to the PowerPoint and displayed a broad outline of the projects that they were seeking to fund for next year. He discussed the highlights; housing rehabilitation and purchase. This was the housing rehabilitation loan program that the City offered, deferred loans for low- and moderate-income individuals. That was folks that earn less than 80% of the area median income to make urgent and necessary repairs to their homes. They could receive loans of up to \$25,000 for that. It was a deferred program, so they were not making monthly payments on those loans. They were also partially forgiven after a five-year period so that allowed the City to get some money back into the program and reach more houses without creating an extra burden on them on a monthly basis. Public infrastructure and facility improvements at \$175,000, small business assistance programs, public service activities, the grants that they give to nonprofit agencies that serve low- and moderate-income folks, administration, they budget approximately 20% of the grant to administer these activities, fair housing outreach and education. Their fair housing outreach generally revolved around advertising and creating awareness in the community around our citizens' rights to nondiscrimination in housing. There was a small contingency for potential cost overruns in these activities.

Mr. Leonetti discussed the annual action plan process. Every year they have two neighborhood meetings, usually the last week of January and the first week of

February. Staff has extensive conversations with nonprofits and other city staff. They look at demographic data and statistics. This was the annual action plan process, every five years they do a more comprehensive consolidated plan. The last one he believed was approved back in 2020. This was the third year of this plan. The plan was created using HUD's software. They have all the information. They have questions that they fill in that provide all the information that HUD requires. He referred to the PowerPoint and displayed seven strategic plan needs from their consolidated plan that were dealt with through the annual action plan; preserving the housing stock, improving our public facilities in low- and moderate-income neighborhoods, serving the homeless, serving persons with HIV and aids, educating our youth, promoting small business and entrepreneurship, and promoting fair housing.

Mr. Leonetti advised this year they had a couple of projects going on right now. He noted at Civitan Park they were reworking the playground area and picnic shelter. He mentioned the old playground area and picnic shelter was kind of down in a hole off to the side of the park. This brings it up onto the other side of the park closer to where the basketball courts and the tennis courts were located, and the other facilities were related to the park. They were also doing some accessibility improvements to help folks access the upper part of the park because it was two separate parking areas and now there would be at least a walkway between those. Continued support for our low- and moderate-income homeowners. They were assisting five nonprofits this year and he previously mentioned the funding to Habitat for Humanity. This year they were talking about potential new play equipment at parks, updates possibly to the baseball field in Ridgeview, and then also potential street resurfacing in low- and moderate-income neighborhoods, also some other improvements could potentially be a basketball court update at one of the parks as well. There were six nonprofits included in the budget and continued support of the housing rehab program. As he mentioned before, the funding for small business and entrepreneurship as well. He mentioned that Karen Dickerson had taken a new position in the City, and they were currently in the process of finding her replacement. He would be remised if he did not thank Karen for all of her hard work over the last five years and helping to put this plan together. He recognized Charity Nash; the Community Development Technician, and her work had been invaluable as well.

Alderwoman Williams asked if he saw any fluctuation in terms of the Federal funds. Have they gone up? Do they stay kind of stagnant?

Mr. Leonetti commented that it was relatively close. He thought it was \$4,000 less than last year's grant.

Alderwoman Williams commented it was not an increased cost of living or anything.

Mr. Leonetti advised it was whatever Congress approved for the Community Development Block Grant and that fluctuated by the whims of the budget process at the Federal level.

Alderman Wood asked Mr. Leonetti to briefly tell how the not for profits were selected that they fund.

Mr. Leonetti explained for every not for profit there was an application process that comes in usually in late January or early February and then those nonprofits were all graded by staff and then reviewed by the Citizens Advisory Committee.

Alderman Seaver commented they were pretty flexible with what they could spend that money on.

Mr. Leonetti replied that was correct, the Community Development Block Grant program was an extremely broad program. It basically talked about improving economic opportunities, improving living opportunities and improving neighborhoods principally for people of low and moderate income. There was a lot of activities that could be done with those funds.

Alderman Seaver liked the way they do it and have those who were benefiting from it, help pay some of it back and pay it forward to others that need it. He thought in the past some cities just spent it all each year. He liked that rotating thing there keeping the money flowing.

Alderman Freeman thanked Mr. Leonetti. He referred to the presentation last week at the Racial Disparity meeting that he attended. He mentioned they kind of threw Mr. Leonetti right up in front. Some of the questions that part of that committee had was concerning the loan for home rehabilitation. As he

mentioned it was five years deferred. He asked about the interest. Was there any interest rate attached?

Mr. Leonetti advised there was no interest attached to any of their loans. It was not a part of this plan, but they also have the urgent repair program that they applied for from the North Carolina Housing Finance Agency. That program was a fully forgivable loan, it was a smaller dollar amount, and they could get up to \$12,000 per house, but that was forgiven \$3,000 per year. So, if you stay in the house for four years, then you do not have to pay anything back, whereas with the larger program, you do still eventually have to pay half of it back if you stay there for more than five years.

Alderman Freeman would love for those of low income in Ward 4 to certainly be able to gain that information and they talked about that, of how to disseminate that information. He really appreciated that.

Mr. Leonetti advised the Housing Fair was happening on Saturday, June 3, at the Ridgeview Recreation Center area. They would be getting the word out about that, and their programs would be there and then a ton of other housing resources in the community.

Mayor Guess asked for any further questions. He advised the same rules applied as the previous public hearing. 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 there was anyone present to speak in favor of the proposal. No one appeared. Mayor Guess closed the public hearing.

Alderman Seaver moved, seconded by Alderwoman Patton approval of the Community Development Block Grant 2023-2024 Annual Action Plan. The motion carried unanimously.

B. Departmental Reports:

1. Partnership with Catawba Riverkeepers for Installation and Maintenance of a Stream Trash Trap at Glenn Hilton Park for Litter Abatement – Presented by Public Works Director Steve Miller.

The City was issued an NPDES Phase II Stormwater Permit by the North Carolina Department of Environment and Natural Resources on July 1, 2005. One of the requirements of the permit is public education and outreach. A minimum measure is that the City develop and implement a public education and outreach program to raise public awareness on the causes and impacts of stormwater pollution. This opportunity would allow for the City to partner with an established community-oriented organization, the Catawba Riverkeepers. The City of Hickory and Catawba Riverkeepers will use this as a visual device to keep trash out of the Catawba River and help educate the community. The agreement advances the City of Hickory's commitment to educate and outreach as required by our MS4 permit. Litter passes through the storm drain system into the Catawba River basin. The stream trash trap collects trash before it enters the Catawba River from Horseford Creek. The device will be cleaned and maintained by Catawba Riverkeeper staff and volunteers at least twice a month and after notification of heavy rainfall. The staff/volunteers will clean the downstream area as well. After trash collection all litter will be sorted, documented, and recycled as allowed. Training and recruitment will be performed by Catawba Riverkeepers as well as maintenance of the trash trap itself.

City Manager Warren Wood advised Council did not need to take action on this item, it was just information that they were pretty excited about. Of course, the greatest natural resource that they have was the Catawba River, the stewardship of that and taking the best care of it they could was the category this falls into. They were going to share with Council an innovative pilot program that they were going to implement that they could expand over time. It was a partnership with Catawba Riverkeepers for installation and maintenance of a stream trash trap at Glenn Hilton Park, that was Horseford Creek, for litter abatement. He asked Public Works Director Steve Miller to the podium.

Public Works Director Steve Miller advised they had been working on this probably for about six months or so. The Manager's office gave him and his team some leeway to come up with some innovative, thoughtful, and impactful things that might help with litter. They worked with Caroline Kone, Jason White, with the Stormwater Division, and Deputy City Attorney Arnita Dula helped them as a team do a partnership with Catawba Riverkeepers. He mentioned litter was an issue along the roadways and they could not always stop what people throw

out. Stormwater litter accounted for about 75% of the manmade trash in the urban streams either being blown out from traveling public or just thrown out the window of a car. Eventually it makes its way to the Catawba River if they cannot stop it. Managing litter, once it was in the waterway, was time consuming, and required a lot of hours. You go out as groups in boats and try to clean this litter up. It was tough. Then the next rain, you feel like you just started over. Capturing manmade litter in the urban tributaries was easier and more efficient than multiple litter sweeps. Sometimes you feel like you are fighting a losing battle. The big thing was the trash trap that City Manager Warren Wood mentioned. He referred to a photo of a trash trap on the PowerPoint slide. He advised this one was not the actual one they would have, but the one they would have looked very similar. He reiterated it was a partnership with Catawba Riverkeepers. The trash trap was a tactical in stream litter collection device used to intercept floating litter from stormwater runoff. They were going to place this in the very back area of Hilton Park in Horseford Creek. He noted in this area the litter comes in and gets trapped into this. The Catawba Riverkeepers actually come out and clean it, they maintain it, they repair it as needed. He noted he was penny pinching frugal and this was a really good deal he felt like for the City. The City would buy the trap up front; it was about \$8,500. They pay Catawba Riverkeepers \$5,000 dollars a year, for three years, they clean it at least two times a month more if needed. They let them know, they had a one-inch rainfall, and they would come out and check it. They were really excited. The City of Charlotte had a few of those. Gastonia had one and Rock Hill, South Carolina had one. There was actually one in Old Fort, which was really close to the headwaters of the Catawba River. This would be the second one further downstream. It also helped the City with their NPDAES and their MS4 which was reporting that they have to do for their stormwater permit and clean water to municipal separate storm water system reporting. This helped them get credit for that. They do some other things, litter pick up, and street sweeping, that was a stormwater function as well as just aesthetics. The program was a gateway to public education outreach. Where they placed it in the park, schools and visitors could see it. There was going to be signage that the Riverkeepers do in Hilton Park that tells exactly what the trash trap does and what its purpose was. He addressed the following questions. Does the trash trap cause more flooding? No, this device was designed to rise and fall with the waterway. It was tethered to the sides of the bank and anchored. It just rises and falls as the stream comes up and goes down. Will the trash trap catch fish or other wildlife? No. The device was designed without a top or a bottom so that creatures can easily get out of the trap if they get into it. How often should it be cleaned out? The Catawba Riverkeepers and volunteers would clean at least twice a month and after a significant rainfall event. If there was a summer storm, any kind of rain, they would give them a quick call, they would come out and check it. One of the other cool things that they do is they take all that trash and sort it and they give them a report of what it really was. Was it plastic bottles? Was it this? Was it that? They also recycle it, which was very good. What do you do with the plant debris that gets captured? Logs or branches or whatnot. Once the manmade litter was safely removed, they open the rear gate of the trap, and that debris goes on downstream. There could be an event where they would have to go out and pull some of that heavy debris back if it was a good-sized tree or something like that, which was something they would do in their own park anyway. He referred to the PowerPoint and displayed a picture of how the trash funneled in there. At Horseford Creek this would give them a good feel for how much trash was really getting into the system and they were capturing it before it got to the cove. He noted that whole cove area at Horseford Creek sometimes gets some back wash, some litter was coming down from other municipalities or areas above us and they may still get some in there. This would give them a good gauge of what that really was and how they dealt with it. He was excited about this because if it works here, they would love to put one on Falling Creek, which was another major tributary that was right at the sewer treatment plant off Cloninger Mill Road that enters into the system there too. They were super pumped about this one. He asked for any questions.

Alderwoman Patton asked if the Riverkeepers were going to give them a list, or like pounds collected. Like how much plastic and how many pounds of each type of matter.

Mr. Miller advised yes, after each cleaning they would give them a detailed report of how many pounds of plastic. How many pounds of Styrofoam? That would give them a good idea of what was really coming into the system. It was far enough back into the cove that it would capture a lot of that litter before they ever got to the actual park. It was going to be pretty cool.

Alderman Wood mentioned that he saw one of these last Friday for the first time. It was in a trout stream in the mountains, and it worked. You could see it

collecting the trash. It was a pretty interesting device. He thanked Mr. Miller for doing that.

Mr. Miller appreciated his team, Deputy City Attorney Arnita Dula, and everybody, and of course, the Manager's office for giving them the leeway to be able to do things that were a little outside the box and innovative and they appreciated that from everybody.

Alderman Seaver asked if they were portable, could they move from one stream to another. Were they semi-permanent?

Mr. Miller commented they were semi-permanent. Once they get locked in, they do not move those around. On the picture their size was according to whatever stream they were in. As they gauge how they work and they do maybe a couple of other ones, they may move them to some different streams on the south side of town which was a little bit different. The streams on that side were a little bit different than they were on the north side of town as far as width and they may do a smaller one on different streams.

Alderwoman Williams asked if the Riverkeepers were open to expanding and helping with more.

Mr. Miller confirmed they were open to anything that helps, like City Manager Warren Wood said, keeping the quality of the Catawba River was their number one asset for their drinking water and for everybody downstream/upstream of us, for the whole system.

Alderman Seaver commented it gives them more opportunities to get their kayaks and everything out to battle around.

City Manager Warren Wood advised they were going to talk to the Western Piedmont Council of Governments about the four counties and they were just one piece of one side of the river, but it would be good to have jurisdictions from all four sides or all four counties participating in this at some level.

Mayor Guess commended everybody that had something to do with this. The City started an active Litter Quitter Program and encouraged the public and everyone to be involved. It was one of the few things he thought that everybody could agree on, that we do not want litter and there were very few things that everybody could agree on. This was a great addition to the current Litter Quitter Program. He encouraged everybody to participate not only in this but with anything they could do as individuals to help clean up and keep our City as litter free as possible. Surprisingly, he hears from folks once in a while that talk about how clean our City looks. He did not always see that, sometimes you see a lot of litter, but comparatively they were in pretty good shape. He thanked everybody for their efforts. He knew there were several groups of individuals that go out each and every Saturday and participate and pick a particular area to pick up litter. He commended those folks and encouraged everyone to participate. This was something that not only everybody could agree on, but it was something that everybody could participate in. He congratulated Mr. Miller and thanked him, and they look forward to hearing the results from this addition.

Mr. Miller commented Mayor Guess was absolutely correct on the folks they have picking up litter. They have a very dedicated group that every weekend when he comes in on Monday morning, there was a list of streets that they pick up litter on and they go by and grab the bags. They appreciated them so much. It was delightful to see folks out there and he passes them by sometimes on Saturday and they do not miss a Saturday or Sunday picking up litter.

Alderman Seaver noticed several bags along Tate Boulevard this morning.

Mr. Miller advised that was from those guys picking up.

Alderman Seaver agreed that Mayor Guess was exactly right, nobody likes litter. That is why people throw it out of their car because they do not like it in their car.

Mayor Guess reiterated there was very few things you get everybody to agree on, he did not know anybody that disagreed with that. He asked for any other questions for Mr. Miller. He mentioned Council did not need to vote on it, but they were certainly all in favor of it.

2. Appointments to Boards and Commissions

COMMUNITY APPEARANCE COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 1 (Wood Appoints) VACANT
At-Large (Outside City but within HRP) (Council Appoints) VACANT

COMMUNITY RELATIONS COUNCIL

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

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

LIBRARY ADVISORY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 3 (Seaver Appoints) (Nathan Ahlgrim Resigned 4-14-2023) VACANT

PUBLIC ART COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
At-Large (Council Appoints) (Derick Wood Resigned 4-14-2023) VACANT

Alderman Williams Nominated David Wortman as an At-Large Representative on the Public Art Commission.

RECYCLING ADVISORY BOARD

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

Alderman Williams moved seconded by Mayor Guess approval of the above nomination. 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

Alderman Patton commented on the groundbreaking at the Hickory Metro Convention Center expansion yesterday. It was a great event, and they were looking forward to bringing in lots more tourism and new groups that they could host and grow their economy. That was excellent.

Alderman Freeman mentioned one of the urgent needs since he had been appointed to his seat, that affects many of the African Americans in Ward 4, was the concern of no longer having any graveyard spaces. As a matter of fact, today, he had a graveyard service at Southside Cemetery. He saw the green markers there. He knew there were a couple of articles in the Hickory Daily Record. He was thankful and grateful for the City staff and the Mayor in assisting him in this to say to the public that they had found some space where they could add at least 250 more burial sites. He thanked them for assisting him in that.

Mayor Guess asked Alderman Seaver if he wanted to mention his grandson and his accomplishment.

Alderman Seaver advised he was on the front page of the Hickory Daily Record on Monday. He was the Notable Neighbor Easton Teague. He had sent in a little article and thought he could be acknowledged for winning a track championship in Shelby, at Shady Side. He never heard anything back and then all of a sudden, they called and said they would like to do an interview with him and get him in the Notable Neighbor column.

Mayor Guess asked how old he was.

Alderman Seaver advised 14. He had been racing since he was eight.

Mayor Guess commented he did not get that from Alderman Seaver he got that from Elaine, right?

Alderman Seaver commented on her side, on his father's side, the Teague family they all race.

May 2, 2023

XIV. There being no further business, the meeting adjourned at 8:02 p.m.

Mayor

City Clerk