

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, October 3, 2023 at 6:00 p.m., with the following members present:

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

A quorum was present.

Also present were City Manager Warren Wood, City Attorney Timothy Swanson, 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 except for Alderwoman Williams. Alderman Zagaroli arrived at 6:02 p.m.
- II. Invocation by Reverend Christy Lohr Sapp, St. Andrews Lutheran Church
- III. Pledge of Allegiance

Mayor Guess recognized scouts that were present from First United Methodist Church. He asked the Scout Leader to introduce herself and then the scouts could introduce themselves individually.

Scout Leader Amy Hollar advised she was the Scout Master for Troop 1234, which she believed was the first girls BSA Troop in Hickory, North Carolina. She mentioned there was also present a Scout from Troop 234 present. Both these troops were from First United Methodist Church.

Mayor Guess inquired if they were present for a specific reason.

Scout Leader Amy Hollar advised they were working on the citizenship and community merit badge. This was one of the requirements for that merit badge, to visit one of the community meetings.

Mayor Guess asked the Scouts to introduce themselves.

The scouts in attendance introduced themselves. A round of applause was given.

Mayor Guess commented that they were the future leaders.

IV. Special Presentations

A. Presentation of a Proclamation for Fire Prevention Month

Mayor Guess asked staff from the fire department to the podium. He always wanted to take every opportunity that he could in the City of Hickory to recognize all of the co-workers. All of the co-workers do a tremendous job, and he certainly appreciated the job that they do. This week, particularly, he wanted to recognize the fire department personnel. Obviously, all of them could not be present, but this was a great representation of the fire department. He asked Chief Matthew Hutchinson how many total employees were in the fire department.

Chief Matthew Hutchinson advised 139.

Mayor Guess mentioned they were on call 24/7 and they do a tremendous service for the community. He read and presented the Proclamation for Fire Prevention Month to staff from Hickory Fire Department. Photos were taken. He mentioned the fire department still has the service of installing smoke detectors and also carbon monoxide protectors as well to City residents. If anyone knows of somebody or if they are in need of that service, do not hesitate to call the fire department personnel and they will certainly schedule that for them.

V. Persons Requesting to Be Heard

A. Linda Begnoche, 4621 19th Street Court NE, Hickory regarding Traffic Light at Cloninger Mill Road, and 16th Street NE.

Ms. Linda Begnoche was not present to be heard.

VI. Approval of Minutes

A. Regular Meeting of September 19, 2023

Alderwoman Patton moved, seconded by Alderman Seaver that the Regular Meeting Minutes of September 19, 2023 be approved. The motion carried unanimously.

Mayor Guess advised that Alderwoman Williams was not present as she was on a delayed honeymoon. She got married earlier and this was the first opportunity that they had to go on their honeymoon.

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

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

- A. Approval of an Amendment to Section 18-59 of the City of Hickory Code of Ordinance to Permit the Operation of E-Bikes and other Electric Vehicles on Multi-Use Paths. (First Reading Vote: Unanimous)
- B. Approval of the Implementation of an All-Way Stop at the Intersection of 5th Street SE, 3rd Avenue SE and 3rd Avenue Drive SE. (First Reading Vote: Unanimous)
- C. Budget Revision Number 5. (First Reading Vote: Unanimous)
- D. Consideration of Rezoning Petition Number 23-04 for Property Located at 1448 Zion Church Road, Hickory from Industrial (IND) to R-2 Residential. (First Reading Vote: Unanimous)
- E. Consideration of Rezoning Petition Number 23-05 for Property Located at 34th Street Place NE from Catawba County R-20 to Neighborhood Commercial (NC). (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 Alderman Freeman approval of the Consent Agenda. The motion carried unanimously.

- A. Called for a Public Hearing to Consider the Voluntary Non-Contiguous Annexation of Property Owned by Boureanu and Creech Properties, LLC, Located at 3940 River Road, Hickory, PIN 3710-09-17-5434, Containing Approximately 49.21. (Authorized Public Hearing for October 17, 2023, at 6:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).

RESOLUTION NO. 23-51

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 Boureanu and Creech Properties, LLC requesting annexation of an area described in a petition was received on September 18, 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 Boureanu and Creech Properties, LLC, located at 3940 River Road, containing 49.21 acres more or less, and identified as PIN 3710-09-17-5434.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hickory this 18th day of September 2023.

/s/ Debbie D. Miller, City Clerk

RESOLUTION 23-52

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 October 17, 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 Boureau and Creech Properties LLC, located at 3940 River Road, containing 49.21 acres more or less, and identified as PIN 3710-09-17-5434.

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. 23-53

A RESOLUTION DETERMINING THE INTENT TO ANNEX INTO THE CORPORATE LIMITS OF THE CITY OF HICKORY CERTAIN PROPERTY OF BOUREANU AND CREECH PROPERTIES, LLC AND CALLING FOR A PUBLIC HEARING ON THE SAME

WHEREAS, Boureau and Creech Properties, LLC is the owner of certain real property as described herein, which property is located at 3940 River Road, Hickory, containing 49.21 acres more or less, and identified as PIN 3710-09-17-5434.

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 3rd day of October 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 6:00 p.m. on October 17, 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 maps entitled Boureau & Creech Properties LLC, Voluntary Non-Contiguous Annexation Map 1, Current City Boundary, subject property outlined in red; Boureau & Creech Properties, LLC Voluntary Non-Contiguous Annexation Map 2, Current Zoning, subject property outlined in red; Boureau & Creech

LLC, Voluntary Non-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.

- B. Approved a Cemetery Deed Transfer from Ethel Mozeley Sutton, widowed to Paula Sutton White, widowed, Oakwood Cemetery, Gravesites No. 7, 8, 3, and 4 of Section 12, Block G, Lot 1. (Prepared by Robert A. Mullinax).
- C. Approved a Cemetery Deed Transfer from Ethel Mozeley Sutton, widowed, to Deborah Sutton McGee, married, Oakwood Cemetery, Gravesites No. 1 and 2 of Section 12, Block G, Lot 1. (Prepared by Robert A. Mullinax).
- D. Approved an Agreement for Professional Services with Gannett Fleming Consulting Engineers for Construction, Engineering, and Inspection Related to OLLE Art Walk in the Amount of \$1,265,001.88, Contingent Upon North Carolina Department of Transportation Concurrence.

Staff requests Council's approval of an Agreement for Professional Services with Gannett Fleming (GF) for construction, engineering, and inspection (CEI) services related to the OLLE Art Walk (EB-5911/EB-5977) in the amount of \$1,265,001.88, contingent on North Carolina Department of Transportation (NCDOT) approval, EB-5911 - \$1,120,795.05 and EB-5977 - \$144,206.83. The OLLE Art Walk Multi-Use Trail project is an element of the Bond Referendum that was to be added in the future as a continued development of the multi-use path around the City that connected all parts of the City for citizens and visitor's enjoyment. This project has received Federal funding at an 80/20 ratio, Federal and City respectively. Gannett Fleming (GF) was selected based on qualifications-based proposals and was concurred with by NCDOT. GF's fees were negotiated by City of Hickory staff and NCDOT staff. Fees are eligible for reimbursement with NCDOT funds at the same ratio of 80% NCDOT and 20% City of Hickory. CE&I services include the following: construction inspections, construction materials testing, and construction administration. Staff requests Council's approval of an Agreement for Professional Services with Gannett Fleming Consulting Engineers for CEI Services related to OLLE Art Walk Project in the amount of \$1,265,001.88, contingent upon NCDOT concurrence.

- E. Approved a Resolution for Condemnation of Properties for Temporary and Permanent Easements and Rights-of-Way for the 17th Street NW Extension and Associated Multi-Use Trail.

Staff requests Council's consideration of a Resolution regarding condemnation of properties for temporary and permanent easements and rights-of-way for construction of an extension street and associated multi-use path - 17th Street NW Extension. The City of Hickory received \$6M from a Surface Transportation Block Grant – Direct Attributable Award in 2020 from the Greater Hickory Metropolitan Planning Organization (MPO) to extend 17th Street NW from 9th Avenue NW to Clement Boulevard NW. This new connector will serve as an alternative to US 321 for local traffic and also provide additional access for the newly planned Appalachian State University Campus. Per North Carolina General Statutes Chapter 40A the City of Hickory has the power of eminent domain to acquire any property to improve streets, sidewalks, and establish or improve recreational facilities. The City has found it is in the public interest to acquire certain easements and rights-of-way for the construction of a .22-mile street extension and associated 10-foot-wide multi-use pathway. The proposed resolution authorizes staff and legal counsel to institute the condemnation proceedings on these properties. Staff recommends Council's approval of the Resolution regarding condemnation of properties for temporary and permanent easements and rights-of-way for the 17th Street NW extension and associated multi-use trail.

RESOLUTION NO. 23-54

RESOLUTION OF THE HICKORY CITY COUNCIL REGARDING CONDEMNATION OF PROPERTIES FOR TEMPORARY AND PERMANENT EASEMENTS AND RIGHTS-OF-WAY FOR CONSTRUCTION OF A MULTI-USE PATH SYSTEM

RECITALS:

WHEREAS, the City of Hickory (the "City") has the power of eminent domain and may acquire by purchase, gift, or condemnation any property for the purposes of, among other things, opening, widening, extending, or improving roads, streets, alleys, and sidewalks and establishing, enlarging, or improving parks, playgrounds, and other recreational facilities; and

WHEREAS, the City is authorized to institute any and all necessary legal actions under Chapter 40A of the North Carolina General Statutes to condemn and appropriate easements and rights-of-way for the above stated purposes; and

WHEREAS, the City has determined that it is necessary and in the public interest to acquire certain easements and rights-of-way over, across, under and through certain properties located in Hickory, North Carolina for the purpose of constructing a 17th Street NW street extension with an associated 10-foot wide multi-use trail which will extend from the 9th Avenue NW to Clement Blvd, as generally shown on the Overall Plan and Key Sheet prepared by Thompson-Gordon-Shook Consulting Engineers, Inc., a copy of which is attached hereto as Exhibit A (the "Project"); and

WHEREAS, Rosemyr Corporation is the owner of certain real property situated in Hickory Township, Catawba County, North Carolina commonly known as 901 Hwy 321 NW, Hickory, North Carolina 28601, Parcel ID: 279316748608, said property being more particularly described in Deed Book 2843, Page 1881, Catawba County Registry (the "Rosemyr Property"); and

WHEREAS, the City has determined that it is necessary and in the public interest to acquire, by condemnation, certain non-exclusive easements and rights-of-way over, across, under and through a portion of the Rosemyr Property in connection with the Project, including a fee simple rights-of-way, permanent utility easement, drainage utility easement, and temporary construction easement, as shown on a plat prepared by Thompson-Gordon-Shook Consulting Engineers, Inc., a copy of which is attached hereto as Exhibit B (the "Easements"), which Easements are reasonably necessary and will serve a public purpose of improving the function and appearance of the general area, will provide street connectivity from 9th Avenue NW to Clement Blvd, and will provide safety in the Project area.

NOW, THEREFORE, BE IT RESOLVED that:

1. The City adopts as true and correct the foregoing recitals and incorporates them as findings herein.
2. For the purposes specified above, it is necessary, practical, and in the best interest of the public and the City that the City acquire, in its name, the Easements over, across, under and through the Rosemyr Property and such other easements and rights-of-way, either on a temporary or permanent basis, as may be required and which are necessary for completion of the Project.
3. The City, its officers, employees and attorneys, including designated outside counsel, be and are hereby authorized and directed to proceed to take the necessary steps to institute and prosecute such necessary actions and proceed as may be proper for the acquisition of the Easements over, across, under and through the Rosemyr Property and such other easements and rights-of-way, either on a temporary or permanent basis, as may be required and which are necessary for completion of the Project by eminent domain proceedings pursuant to Chapter 40A of the North Carolina General Statutes, and to prepare, sign, execute, serve, publish and file in the name of the City all eminent domain papers, affidavits and pleadings and said attorneys are authorized to have prepared such other instruments and documents as may be necessary in connection therewith.
4. The City finds and determines that the Easements over, across, under and through a portion of the Rosemyr Property are necessary for the public purposes of construction of the Project and hereby authorizes the acquisition of said the Easements and such other easements and rights-of-way, either on a temporary or permanent basis, as may be required and which are necessary for completion of the Project by eminent domain proceedings. The City further authorizes the City Attorney, Deputy City Attorney, his or her staff, or designated outside counsel to correct minor errors or scrivener's errors to said descriptions, if any, with regard to the condemnation proceeding without further action of this council.
5. City Staff is authorized to have the construction plans updated, revised, or corrected, and to utilize such plans in the condemnation action, including committing to said plans, updates, revisions, or corrections, without further action by this Council.
6. The City finds and determines that just compensation for the taking of the Easements is \$127,350.00.

THIS RESOLUTION shall become effective immediately upon adoption.

- F. Approved a Utility Relocation Agreement with Duke Energy for an Estimated Amount of \$372,623.05 for Relocation of Overhead Powerlines and Poles Necessary for Construction of the 17th Street NW Extension and Multi-Use Trail.

Staff requests Council's approval of the Utility Relocation Agreement with Duke Energy with an estimated amount of \$372,623.05 for relocation of overhead power lines and poles necessary for construction of 17th Street NW extension and multi-use trail – HL-0004. The City of Hickory received \$6M from a Surface Transportation Block Grant – Direct Attributable Award in 2020 from the Greater Hickory Metropolitan Planning Organization (MPO) to extend 17th Street NW from 9th Avenue NW to Clement Boulevard NW. This new connector will serve as an alternative to US 321 for local traffic and also provide additional access for the newly planned Appalachian State University Campus. Duke Energy is directly affected in several locations as a part of this project that will require relocation. Staff requested a Utility Relocation Agreement with Duke Energy for the construction necessary to accommodate the 17th Street NW extension and multi-use trail. Duke Energy will invoice the costs based on the actual costs involved with the work. Duke Energy's estimated relocation costs are \$372,623.05. Staff recommends Council's approval of the Utility Relocation Agreement with Duke Energy for an estimated amount of \$372,623.05 for relocation of overhead power lines and poles necessary for construction of the 17th Street NW extension and multi-use trail – HL-0004.

- G. Approved the Offer to Purchase City-Owned Property and Authorized Staff to Advertise for Upset Bids.

Staff requests approval of an offer to purchase a piece of City-owned property at 6301 Hayden Drive that is currently undeveloped. The parcel is further identified by PIN 3735-11-55-0641 on the Catawba County Tax Maps. An existing sewer line runs through the middle of the property. The adjacent property owner has offered \$10,000 for the property. The tax value is \$19,100. However, the property cannot be developed as a single family home due to the sewer line running through the property. Therefore, staff feel that this is a fair offer for the property. A 25-foot sewer easement will be recorded prior to the property closing. As this is surplus property, the sale is required to go through the upset bid process as defined in North Carolina General Statute (NCGS) §160A-269. This process will ensure any other interested parties can bid on the property. Staff requests approval of the offer to purchase City-owned property and authorizes staff to advertise for upset bids.

RESOLUTION NO. 23-55

RESOLUTION AUTHORIZING THE ADVERTISEMENT OF AN OFFER TO PURCHASE CERTAIN PROPERTY

WHEREAS, City Council of the City of Hickory desires to dispose of certain surplus properties of the City of Hickory.

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

1. The following described property is hereby declared to be surplus to the needs of the City of Hickory:

Vacant lot located at 6301 Hayden Drive, Hickory, North Carolina, containing approximately .48 acres, identified as PIN 3735-11-55-0641, Catawba County GIS, being Lot 54, Plat Book 40 at Page 16, being the property in Deed Book 3703 at Page 0782, Catawba County Registry.
2. City Council has received an offer to purchase for the sum of \$10,000 for the property located at 6301 Hayden Drive, Hickory, North Carolina. The person making the offer has deposited into John Crone's Trust Account a sum equal to five percent (5%) of his or her offer in the form of cash, cashier's check, or wire funds.
3. City Council proposes to accept the offer unless a qualifying upset bid shall be made.
4. The City Clerk shall cause a notice of such offer to be published in accordance with G.S. 160A-269.
5. Persons wishing to upset the offer must submit a sealed bid to the City Clerk within ten (10) days after publication of the notice. In addition, the bid must raise the original offer by an amount of at least 10% of the first \$1000 of that offer and 5% of the remainder. The person making the bid must deposit with the City Clerk a sum equal to five percent (5%) of his or her offer in the form of cash, cashier's check, or wire funds to John Crone's Trust Account. At the conclusion of the ten (10) days, the City Clerk shall open the bids, and the highest such qualifying bid

will become the new offer. If there is more than one bid in the highest amount, the first such bid received will become the new offer.

- 6. If a qualifying upset bid is received, the City Clerk is directed to re-advertise the offer at the increased upset bid amount, and to continue with this process until a ten (10) day period has passed without receipt of a qualifying upset bid.
 - 7. Upon approval of the final upset bid, total payment for the property must be received by the City of Hickory within 30 days of the bid award.
 - 8. City Council authorizes the City Manager to execute all documents related to the sale if no upset bids are received after due advertisement.
- H. Approved on First Reading Budget Revision Number 6.

**ORDINANCE NO. 23-29
BUDGET REVISION NUMBER 6**

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	-	74,525
Other Financing Uses	74,525	-
TOTAL	74,525	74,525

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

FUNCTIONAL AREA	INCREASE	DECREASE
Environmental Protection	2,030	-
TOTAL	2,030	-

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

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous	2,030	-
TOTAL	2,030	-

SECTION 3. To amend the 17th Street Northwest Extension (#546018) Capital Project Ordinance the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	372,624	-
TOTAL	372,624	-

To provide funding for the above, the 17th Street Northwest Extension (#546018) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	74,525	-
Restricted Intergovernmental	298,099	-
TOTAL	372,624	-

SECTION 4. Copies of the budget revision shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

- IX. Items Removed from Consent Agenda – None
- X. Informational Item
- XI. New Business:
 - A. Public Hearings
 - B. Departmental Reports:

1. Affordable Housing – Presentation by Business Services Manager Dave Leonetti

City Manager Warren Wood advised the City has an array of affordable housing programs that they administer as well as a number of affordable housing efforts in addition to that. They wanted to do a presentation to describe those. He asked Business Services Manager Dave Leonetti to the podium for the presentation.

Business Services Manager Dave Leonetti gave a PowerPoint presentation. He gave a brief update on the different efforts that the City of Hickory has made in regard to affordable housing. He explained an overview of what he would be touching on. Some of the things that the City had done on City-owned property, partnerships with Habitat over the years, and programs for homeowners. He also would talk a little bit about the Unifour Home Consortium, and some of the low-income housing tax credit projects that were occurring and had recently occurred in the City. He would also provide some additional information about the Housing Authority and some resources.

Mr. Leonetti advised over the years the City of Hickory came to own a large number of lots mainly in the Ridgeview community. The City also had some property in other areas of the City. As part of that, in 2018/2019, the City started figuring out ways to try to leverage that property and worked to create affordable housing. That first started with a loan from the Unifour Home Consortium to build two homes on City-owned property. Those homes were sold in the summer of 2021. That project worked fairly well. It was a little challenging because they had to bid out all the work and then they were selling the property. They were paying retail prices and then selling it for the market value. They worked with a company out of Charlotte, in the Lake Norman area called JRN Development. In October of 2021, they contracted with them to build six homes on City-owned property in the area between Taft Broome Park and the Ridgeview Cemetery. Those properties were sold in 2022 to six income qualified buyers. That phase was pretty successful, and late last year they partnered with them to construct 10 more homes on City-owned property in that area. That project was currently underway, the grading was complete. One of the houses has been framed. They did that largely because they had some folks from across the State coming in May of this year. They would be working on the foundations for the additional nine properties and building those in the next couple of months and were hoping to finish those at the end of this year with closings happening in the beginning part of 2024. There were still some additional lots there, roughly six, and they were trying to work on purchasing some additional lots in that area to help bring that total up. If they build what they were thinking they would have about 24 and Habitat also has five additional homes planned in that area. He referred to the PowerPoint and displayed photos of the City built homes that were finished in 2021. He displayed photos of the first phase of the JRN homes that they did the ribbon cutting on back in the fall of last year. He displayed an aerial shot of the current phase of the development, the 10 homes that were under construction. He noted the grading was complete and they would hopefully in this month be working on pouring foundations and installing all of the plumbing work and then begin framing shortly thereafter.

Mr. Leonetti advised that they worked with Habitat over the years. A lot of the time had involved a number of different things. They still worked with them on assistance with water and sewer taps. That was actually something they do too with the JRN homes to help keep the costs down on that. The City's public utilities department offers rebates to them for water and sewer taps. They had done a subdivision where they developed the land and then sold it to Habitat in Green Park, about 10 to 12 years ago that was finished. They had worked with them on their repairs program. Habitat was doing a lot of development right now just south of City Hall near Safe Harbor. They worked with them on a forgivable loan for the demolition of five homes there to help prepare the site. He believed they had completed all five of those homes there. There were two houses on the other side of the street from there where the City provided two \$45,000 loans to help with the reconstruction of those houses. With the Community Development Block Grant funding sometimes, they have to get a little creative because they do not allow them to construct new homes. They only allow them to reconstruct homes that once existed. That was one of the ways that they were able to work through that. Habitat had torn down a house and they were able to assist with the redevelopment. The first one of those two was closing in the next couple of weeks. They actually just got some information today on that. Hopefully that would be closing soon with the second one shortly to follow, he thought early next year. They also conveyed some additional property, three of the lots that he mentioned of the five that Habitat was planning down near the City's JRN partner development. Three of those they conveyed to them and then they did a

property swap with them as well where there was a semi-unbuildable lot that contained part of the City's parking lot near Kiwanis Park that they swapped for a much better lot that they were going to hopefully use to construct a house on. He referred to the PowerPoint and displayed photos of some of the Habitat homes that were either currently under construction or finished.

Mr. Leonetti talked about City programs that were offered for low- and moderate-income homeowners. These were homeowners that earned less than 80% of the area median income. For a family of four that was roughly around \$57,000 a year and it indexed up and down depending on the number of people in the household. They have two main programs. They have a housing rehabilitation loan program that was funded through the Community Development Block Grant (CDBG) that offered deferred and partially forgivable loans up to \$25,000 for folks that earned less than 80% of the area median income. No payments were made on the loan. It was a second or third mortgage on the house and they do not have to make any monthly payments, but it would be paid off if they were to ever sell the house or cease to live there, rent it or if they passed away unfortunately, then their estate would have to pay off the loan. If they live in the house for five years, half the balance of that was forgiven. That allows them to still get some funding back into the program to help continue and make more of these housing rehab loans. They made that change back in 2018. They had a partially deferred loan program and then went fully deferred back about 5 to 6 years ago. That really helped them to help more people because then they do not have to worry about making monthly payments on these loans.

Mr. Leonetti discussed the urgent repair program which was funded by the North Carolina Housing Finance Agency. Those were deferred and forgivable loans for people that make less than 50% of the Statewide median income and have some sort of a special need as well. Whether they were elderly, a single parent, large household, veterans, etc. They could spend up to \$12,000 on those. Then it was forgiven \$3,000 per year as long as the homeowner remains in the home. He referred to the PowerPoint and displayed a map showing where the housing rehabilitation activity had occurred since 2018. The biggest thing he noted was they had done 66 of these since 2018, 25 of the larger housing rehab projects and 38 urgent repairs, and then there were three homeowners that actually received both programs.

Mr. Leonetti advised the City was part of what was known as the Unifour Home Consortium. Back in 1995 the four counties and all of the municipalities came together to form the Unifour Home Consortium, which was administered by the City of Lenoir and the Western Piedmont Council of Governments. They had access to home funding through the Department of Housing and Urban Development. Home funds was one of the larger programs in addition to Community Development Block Grant. Home was specifically about creating opportunities for affordable housing and the City was a voting member on that. Staff attend, and they have annual meetings. They provide input on how the Home Consortium spends its funding. One of the things that they did recently was the City received that loan from the Home Consortium to help construct the two affordable houses. He referred to the PowerPoint and pointed out some of the other things that were highlighted that they worked on regularly. Their biggest program was homebuyer assistance. He mentioned the City used to offer down payment assistance. About five years or so ago, the Home Consortium changed, they used to offer either \$5,000 or \$7,500 and the City supplemented that with a little bit of additional funding of either \$1,500 or \$2,500 for down payment assistance. The Western Piedmont Council of Governments (WPCOG) changed the guidelines through the Home Consortium about five years ago and now they could offer up to 20% of the purchase price up to a maximum of \$30,000 for first time homebuyers. He talked to Rick Oxford, the Administrator on Friday, and they did not have specific numbers on how many were in the City, but there had been 77 since 2018 in Catawba County that had been able to take advantage of this program. That provided a pretty significant amount of a down payment. This was used on these JRN houses as well. A number of the homebuyers received this subsidy on the back end. It was a second mortgage that was partially forgivable. He thought after 10 years if the homeowner lives in the house for 10 years, half the balance would be forgiven. He advised there were other programs through the North Carolina Housing Finance Agency also for down payment assistance. The consortium also provides loans for low-income housing tax credit projects. They probably had seen some of the low-income housing tax credit projects that had happened in the last few years, not all of them, but for some of them, the Home Consortium offers loans, basically gap financing and additional second mortgages on these for the developers. He explained it lowered the amount of Federal tax credit that they need. For the low-income housing tax credit, those projects were extremely competitive, and they were generally going to only fund one per county each

year. That loan allowed the developer to take a slightly smaller subsidy and makes the project more competitive and helps Catawba County and Hickory be successful in landing those projects.

City Manager Warren Wood asked Mr. Leonetti to mention the developments, he knew there were three that came to mind immediately.

Mr. Leonetti advised Center Crossing just south of City Hall, Viewmont Square Court, The Villas at North View, The Lodge down by Walmart Neighborhood Market, Highland Park Apartments behind the Walmart Neighborhood Market in St. Stephen's. There were actually two tax credit projects there, Highland Park and then Catawba Landing as well. Those were some of the more recent ones. Some of the older projects that had kind of aged out were Kenworth Hall, back 35 years ago was a tax credit project as well. There were a few others throughout the City as well. He highlighted the last piece of the Home Consortium. They supported community housing development organizations. They have to spend, he thought 5% of their annual allocation on these. Those generally have been the Habitat affiliates and the four counties had gotten those. There were a couple of others that had been funded over the years. Over the last few years, it was generally the Habitat affiliates that received that funding. He referred to the PowerPoint and displayed a photo of Center Crossing. He noted these were low-income housing tax credit projects, the City and staff worked to prioritize infrastructure improvements surrounding these tax credit projects. With Center Crossing, the Historic Ridgeview Walk was already planned when this one came in, it was going directly on the back side of the development down South Center Street. At The Lodge behind the Walmart Neighborhood Market, public services staff recently completed a sidewalk connection that goes all the way from Highway 70 to North Carolina Highway 127 on the other side to help with improving access to the grocery store and Southside Heights Park. Obviously with the bond program, there were additional improvements planned for that area and that would connect up with the Historic Ridgeview Walk. These folks would have complete pedestrian access to that as well.

Mr. Leonetti referred to the PowerPoint and displayed photos of Catawba Landing. This one was just about finished. The Lodge had 80 units and then this was a 72-unit project that was adjacent to another 80-unit project that was completed a couple of years back.

Mr. Leonetti spoke briefly about the Hickory Housing Authority. They were really the largest affordable housing provider, an individual entity. They manage 357 units and then they also have 551 housing choice vouchers, what was commonly referred to as Section 8. The rental subsidies that go with the income eligible individual. They manage those. The Western Piedmont Council of Governments also offers a Regional Housing Authority for folks generally outside the city limits, but they could use their vouchers within the City. Through the rental assistance demonstration program about two years back, the Housing Authority spent \$8.9 million, and they did renovations on all of their units. They were not complete renovations, but they performed renovations on just about all of their units and then they were working on some additional projects to develop and renovate some additional units. He shared some additional information according to CoStar, which was a commercial real estate software that they use that provides a lot of information on the housing market, there were about 1,300 total units in the immediate vicinity of the City that have at least some sort of rental subsidy and that did not include the Section 8 housing choice vouchers. There were about 7,800 occupied rental units in Hickory to give them an idea of which ones were receiving some sort of subsidy.

Mr. Leonetti discussed affordability challenges. He had reviewed a lot of the information and worked with Taylor Dellinger as they went through this presentation. Affordability challenges was not something that was unique to Catawba County. Overall housing cost burdens for Catawba County were in line with National and State averages for renters. They were actually a little bit below some of those averages for owner occupied units. He mentioned the Unifour area had the oldest or the most pre-1980 housing stock in the State. The biggest reason for that was they have the lowest percentage of post-2000 housing. Some of the things that the planning staff had worked on over the years was looking at different things to help increase the overall supply of housing so that higher income homeowners were not crowding out folks in the lesser expensive units. Some of these things more recently that they had done was they narrowed some of the lot widths that were required, they made some provisions for deeper thinner lots that helped get two lots out of a lot that would not have previously been allowed to be subdivided. Also, permission of some accessory dwelling units in certain areas. For sale inventory remains fairly low. A lot of the realtors say that they would like to see 4 to 6 months of housing supply and there was

currently about a 1.7-month supply in Hickory. As an example, if there were 300 transactions in a month and you have 300 homes listed on the MLS, that would be considered one month's supply. Right now, they were a little bit less than two months. Hopefully they were starting to see some permits being pulled for some of these larger development projects that were underway. That should hopefully increase some of that supply.

Mr. Leonetti mentioned certain places for folks to look if they need resources about affordable housing. Obviously, they could call the City's office, Office of Business Development, community development staff, Anna Beth Walker, was present and Charity Nash could help folks get pointed towards resources. The North Carolina Housing Finance Agency was a great resource for available funding, down payment assistance and other things of that nature. They also offer some foreclosure prevention and counseling as well. The Western Piedmont Council of Governments, they have a down payment assistance program along with some foreclosure prevention. Habitat has their home ownership program, and they also offer repairs for folks. Project Hope was another nonprofit in the area that offered credit counseling and homebuyer classes and services. He concluded his presentation and asked for questions.

Alderman Zagaroli asked if The Lodge was Section 8.

Mr. Leonetti advised it was a low-income housing tax credit.

Alderman Zagaroli asked how it worked. What was the rental structure and how did they pay on that?

Mr. Leonetti explained they have certain numbers of units in there that are affordable to people at various income levels. There was a certain number in there that were affordable to folks at 30%, 50%, and 60%, and there may be some that were also affordable at that 80% income level. Those were all privately owned. He noted the Housing Finance Agency administered the tax credit program, and checked up on the developers to ensure that they were monitoring those and administering the income requirements properly.

Alderman Zagaroli asked if that was kind of the same with the other units that they have in town.

Mr. Leonetti responded yes, almost all of the other units were some sort of a low-income housing tax credit project and also the Housing Authority units were also in there.

Alderman Seaver asked if there was a minimum salary requirement.

Mr. Leonetti confirmed there was a minimum salary requirement for the Housing Choice voucher program, they worked to ensure that they were not spending more than a third of their income on housing. He explained if you own an apartment that you want to rent, you could say you want to accept a housing choice voucher. What they would do was you would get the fair market rent for that home, a number that was established by HUD and then the renter that you get in there would pay 30% of their income and then HUD picked up the rest of it.

Alderman Zagaroli asked for a copy of the presentation.

City Manager Warren Wood advised they could send it to everyone.

Alderman Freeman thanked Mr. Leonetti for what he does in the City. For the last month and a half, he had been lifting up the houses that were being built there in the Ridgeview community. Last Monday they had, which was his very first, candidacy forum. He really wished he had one of those big red buttons, those easy buttons where he could have just pushed it and Mr. Leonetti would have just shown up, and answered the questions for him, but he had certainly been pushing it in the community. He asked with the area median income, and then there was the State median income, could he give him both what they were.

Mr. Leonetti advised the area median income was roughly about \$57,000 for a family of four. The Statewide, they could only do up to 50%, which was in the roughly 40-ish thousand for a family of four. They could use the Statewide median income for the urgent repair program because that was higher than the City's area median income. It gave them some flexibility to help more people with the program. He could get him the exact numbers.

Alderman Freeman commented about the homes that were being built in Ridgeview and some members of the community had been asking him and he

had been forwarding information through email. He asked if it was just for those in the City or those who were living outside of the State to hear about it. If they come in, could they purchase those homes as well as it relates to the area's median income.

Mr. Leonetti commented that they do not have to live within the City limits of Hickory, but they do have to meet the area's income requirements in order to qualify.

Alderman Wood asked Mr. Leonetti to clarify the relationship between the City of Hickory and Hickory Housing Authority. He thought affordable housing got talked about a lot and more often than not, he thought that got lumped in together and, people think that was all under the City's umbrella. He asked Mr. Leonetti to clarify that a little bit.

Mr. Leonetti explained that Hickory Housing Authority was an independent quasi-governmental agency. The Hickory City Council appoints the board members that serve on that.

City Manager Warren Wood interjected the Mayor appoints those members.

Mr. Leonetti advised they were fully independent of the City.

Mayor Guess commented that they get asked that question quite often and the reason being that it was the Hickory Public Housing Authority. He had even had people question if he knew his facts correctly because they just insisted that because it was called the Hickory Housing Authority that the City had jurisdiction and regulated it, which obviously was not the case.

Mr. Leonetti added that they answer to HUD's requirements.

Alderman Wood asked was it safe if he were to say that for the City of Hickory's purposes, affordable housing, the upper threshold of that was 80% of the median income for a family of four in Hickory. That was the upper threshold of affordable housing for the City's purposes. He asked if that was a true statement.

Mr. Leonetti thought so, he believed so. When they were talking about housing, there was subsidized affordable housing and then they have cost burden. That would be the folks that were spending more than 30% or 50% of their income on housing.

Alderman Wood commented affordable housing was a critical issue and it was one that got talked about a lot, but he was not sure that people understood that there was an objective definition of what that means, because affordability was subjective almost by definition, it depends on your income. But for the City, we do have an objective definition of affordable housing.

Mr. Leonetti replied correct. At the State level too, because that was one thing that was important to note, North Carolina local governments were creatures of the State. They were created by the State Legislature, and they can do what the State Legislature tells them they could do. They have certain things as local governments they can do and generally that was housing for persons earning less than 80% of the area median income.

Alderman Wood thanked Mr. Leonetti.

Alderman Seaver commented that Mr. Leonetti mentioned something about they could trade in an old house for a new one.

Mr. Leonetti explained they could not trade in an old house for a new one. For Community Development Block Grant, they do not let them build new housing with those funds. If there was a dilapidated house that was too expensive to renovate, they could tear down that house and build a house in its place.

Alderman Seaver commented as long as they build it right back.

Mr. Leonetti advised it did not necessarily have to be the same size or footprint.

City Manager Warren Wood commented that the Western Piedmont Council of Governments (WPCOG) would tell them that one of the challenges in the region, and Mr. Leonetti mentioned it, we have the oldest housing stock of any metro area in the State. Like the work that City Council does in approving developments, creates new housing, it gives people an opportunity that could afford more and want more or to have more options and it gets to be a backlog

when they do not have that upward mobility with their housing. That was one of the biggest challenges in the region, creating more housing opportunities for folks to move out and up.

Mayor Guess commented just to be clear that the City was not in the housing business, but they certainly were partners and had relationships and were working with entities to help create not just affordable housing but housing in general. From the evidence that they had heard and seen from the presentation tonight, it seemed to be a positive thing and it seemed to be on the right track and he thought they were making tremendous improvements in the existing stock.

Alderman Wood thought that it was exciting to see the different kinds of housing that appeals to people that were at different stages of their lives. He thought they were starting to see some diversification in housing, with things that were focused more on people that were beyond raising family, those types of things and that was exciting development as well.

Mayor Guess asked for any further questions for Mr. Leonetti. He thanked Mr. Leonetti. He commented that was very informative.

2. Appointments to Boards and Commissions

BUSINESS DEVELOPMENT COMMITTEE

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

Alderman Zagaroli nominated Bianca Carter as an At-Large Representative on the Business Development Committee.

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)
 Other Minority (Council Appoints) VACANT
 Other Minority (Council Appoints) VACANT
 Other Minority (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

HISTORIC PRESERVATION COMMISSION

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

LIBRARY ADVISORY BOARD

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

PUBLIC ART COMMISSION

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

RECYCLING ADVISORY BOARD

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

Mayor Guess moved seconded by Alderman Seaver approval of the above nomination. The motion carried unanimously.

Mayor Guess reminded everyone of the boards and commissions. He thought they had 14 boards and commissions, something like that. They had a lot of different boards and commissions that people voluntarily serve on. All of those were listed in various places, most predominantly on the City's website. If those were something they thought they might be interested in doing now or in the

future, certainly peruse those. There was a way to put in an application to be able to do that and they would certainly take that into consideration.

Alderman Seaver commented to the younger guest tonight, the Youth Council was also a way to serve.

Mayor Guess mentioned there was a Youth Council as well. They greatly, greatly appreciate the time and the dedication that those folks put into that service. Primarily it was a voluntary service, and they get a lot of good service and information, and a lot of good things happen as a result of those boards and commissions. He thanked them very much for that participation.

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 Seaver mentioned it was homecoming week at Hickory High, the Powder Puff football game he thought was going on right now.

City Manager Warren Wood advised his son was coaching one of the teams.

Alderwoman Patton mentioned the Charlotte Business Journal that came out, there was an excellent article about Hickory, it recapped where we were, and where we're going in the vision. She thought that it was very well written, and it was a nice shout out to Hickory.

Alderman Freeman advised this coming Saturday, he had been working on this for about two months now, in the Ridgeview community they were going to have what was called "Back to the Future", 18 and older would-be playing softball on the softball field. If they would like to see their City Councilman play some softball, he could bring back the old days, that was what he was trying to do. It starts at four o'clock and they were looking to have the championship game at eight o'clock under the lights. It was a seven-team tournament, and it started at four o'clock at Ridgeview at the softball field.

Mayor Guess mentioned that October 18th was the scheduled groundbreaking for the Historic Ridgeview Walk.

Alderman Freeman confirmed October 18th at 10:30 a.m. they would be breaking ground.

Mayor Guess advised that was at Taft Broome Park where that groundbreaking would take place. Obviously, that was something that they had been waiting on for quite some time and it would get underway starting on the 18th. Mayor Guess commented that he was told that grandpas are supposed to do this. He was supposed to brag on his grandchild. He advised he became a grandpa last Wednesday, they welcomed his first grandchild to the world, Salem Olivia Guess. She weighed 7 pounds 4 ounces and was 21 inches long. Now he could say he was a proud grandpa and mom, and baby were doing just fine, and they were extremely proud and extremely excited.

Alderman Zagaroli mentioned Autolawn this weekend at the SALT Block, Porsches, and other European sports cars.

Mayor Guess advised that right before that the River Sweep was being conducted in Hickory at 9:00 a.m. He encouraged everyone to go help clean up the surrounding area around the water and the lake and then go spend the rest of the evening at the SALT Block at the Autolawn.

Alderwoman Patton mentioned Oktoberfest was the following weekend.

Mayor Guess commented they had a lot going on.

City Manager Warren Wood mentioned he was going to correct a wrong, Iris Childers, Administrative Assistant in the City Manager's office brought her child a couple of meetings ago and he failed to introduce her. She had brought her again.

Mayor Guess commented that she needed to stand up so they could see her.

City Manager Warren Wood advised she wants to come work for us because she likes it so much.

Mayor Guess asked her name.

Administrative Assistance Iris Childers advised Harper.

October 3, 2023

Mayor Guess welcomed Harper.

Harper Childers said Hi.

Mayor Guess asked if she had been helping mama.

Iris Childers commented kind of, she was trying to take her job.

Mayor Guess commented maybe the scouts could encourage her to become part of their organization too. He welcomed Harper and of course, Iris had already settled in and was doing a great job, and they appreciated all that she was doing for the City of Hickory. He thanked both of them.

XIV. There being no further business, the meeting adjourned at 6:47 p.m.

Mayor

City Clerk