

REGULAR MEETING - JUNE 29, 2017

The Mayor and City Council met in regular session on Thursday, June 29, 2017 at 7:00 p.m. in the Council Chambers of City Hall located at 114 West Sycamore Street, Lincolnton NC.

The following Council members were in attendance:

SMITH BLACK EADDY JETTON

Mayor Hatley called the meeting to order and led the Pledge of Allegiance.

Councilman Eaddy made the motion unanimously approved the REGULAR AGENDA.

Councilman Jetton made the motion unanimously approved the CONSENT AGENDA as follows:

- Approved of Minutes of June 1st Regular Meeting
- Approved the following calls to Public Hearing for the August 3rd meeting:
 - CUP-4-2017-Application from Bob Colvard requesting renewal of a conditional use permit issued in 2015 to construct mini warehouse units in the NB District. The subject property is located at the northwest corner of West NC Highway 150 and Hilltop Road. The address of the property is 944 West NC Highway 150 (Parcel ID 22706).
- Approved an Editorial Correction to the 2017-18 Budget Ordinance – Tax Rate was stated as .55 per one hundred dollar valuation instead of .56 – Amended ordinance attached (*BA-02-2017-Amended*)

REGULAR AGENDA

APPLICATION FROM HUGO LEVIA COTO REQUESTING A CONDITIONAL USE PERMIT TO OPERATE A VENUE FOR PARTIES AND SOCIAL EVENTS (WEDDINGS, BIRTHDAY PARTIES, ETC) IN THE PLANNED BUSINESS (PB) DISTRICT. THE SUBJECT PROPERTY IS LOCATED WITHIN THE NORTHGATE SHOPPING CENTER AT 129 VANDIVER DRIVE (PARCEL ID 21614):

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CUP-3-2017

Mayor Hatley opened the Public Hearing. The City Clerk administered the oath to all those wishing to speak for or against the issue. Laura Elam, Planning Director, reviewed the above stated request from Hugo Levia Coto.

She said the project would utilize an existing space within the shopping center that is approximately 4,600 square feet and was formerly used as a church. The space would include seating areas, a stage, kitchen and required bathrooms. The area around the shopping center is mostly commercial in nature with a few single family homes and the Colonial Village Apartments nearby. Laura concluded recommending approval contingent upon the following staff review committee comments being met:

1. If alcohol is to be served on site, requirements as outlined by the State ABC Commission must be met and all permits obtained.
2. A change of tenant Permit must be approved by the Lincoln County Inspections Department.
3. If the kitchen is used for commercial purposes, a grease trap must be put in meeting all the City of Lincoln and State Building Code Standards.
4. Any permits required by the Lincoln County Environmental Health Department must be obtained prior to opening.

Councilman Black made the motion unanimously approved to close the Public Hearing.

Councilman Eaddy made the motion unanimously approved to consider the conditional use permit.

Findings of Fact:

1. Councilman Eaddy made the motion unanimously approved that the use would not materially endanger the public health or safety if located where proposed and developed according to plan.
2. Councilman Black made the motion unanimously approved that the use meets all required conditions and specifications.
3. Councilman Black made the motion unanimously approved that the use would not substantially injure the value of adjoining or abutting property or the use is a public necessity.
4. Councilman Eaddy made the motion unanimously approved that the location and character of the use, if developed according to plan as

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submitted and approved, would be in harmony with the area in which it is to be located and would be in general conformity with this ordinance.

Councilman Smith made the motion unanimously approved to approve the conditional use permit contingent upon the above stated Staff Review Committee Comments being met.

APPLICATION FROM GREEN BRANCH LLC FOR SMART GROWTH INCENTIVE GRANTS FOR RENOVATION FOR NEW COMMERCIAL USE AT 114 E MAIN STREET:

SGIG-01-2017

Mayor Hatley opened the Public Hearing. Laura Elam, Planning Director, reviewed the request from Green Branch LLC for a Smart Growth Incentive Grant. The above said grant meets the criteria for eligibility for the Smart Growth Incentive Grant, per the Planning Director. The smart growth incentive grant program provides a grant to the property owner based on the increased tax value of the building or site after completion of a renovation or new construction project.

Laura described the Project Information as follows:

Project Information

- Location: 114 East Main Street
- Proposal: Renovation and upfit for new restaurant use
- Cost estimate: \$50,000.00
- Current tax value: \$72,741
- Current City Taxes:\$407.35
- Rough estimate of post construction tax value:\$120,000
- Rough estimate of City taxes post construction:\$672
- Rough estimated of net gain: \$265

Reimbursement of Increase in City Property Taxes

The estimated investment of \$50,000.00 would be eligible to receive the grant on an incremental scale as follows:

Year One:	100%	-	\$265
Year Two:	75%	-	\$198.75
Year Three:	75%	-	\$198.75
Year Four:	50%	-	\$132.50
Year Five:	50%	-	\$132.50
Total:			\$927.50

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Councilman Eaddy made the motion to close the Public Hearing. Councilman Black made the motion unanimously approved to award the grant as recommended by the Planning Director and the Steering Committee.

APPLICATION FROM PIEDMONT COMPANIES LLC FOR SMART GROWTH INCENTIVE GRANT FOR NEW RESIDENTIAL DEVELOPMENT - INTERSECTION OF EAST PINE AND NORTH ASPEN STREETS (ASPEN STATION)

SGIG-02-2017

Mayor Hatley opened the Public Hearing. Laura Elam, Planning Director, reviewed the request from the above said applicant for a smart growth incentive grant. Laura told Council the smart growth incentive grant program provides a grant to the property owner based on the increased tax value of the building or site after completion of a renovation or new construction.

Laura gave the following outline of the project information and reimbursement of increase in City Property Taxes:

Project Information

- Location: Intersection of North Aspen and West Pine Streets
- Proposal: Development of 13 townhomes
- Cost estimate: \$2,085,000
- Current tax value: \$102,337
- Current City Taxes:\$573.09
- Rough estimate of post construction tax value:\$2,200,000
- Rough estimate of City taxes post construction:\$12,320
- Rough estimate of net gain: \$11,747

Reimbursement of Increase in City Property Taxes

The proposed estimated investment of \$2,085,000 would be eligible to receive 100 percent of the grant as follows:

Year One:	100%	-	\$11,747
Year Two:	100%	-	\$11,747
Year Three:	100%	-	\$11,747
Year Four:	100%	-	\$11,747
Year Five:	100%	-	\$11,747
Total:			\$58, 735

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Laura concluded noting on behalf of the Planning Department and the Steering Committee the project meets the criteria for eligibility for the Smart Growth Incentive grant.

Councilman Black made the motion unanimously approved to close the Public Hearing.

Councilman Eaddy made the motion unanimously approved to award the grant as recommended by the Planning Director and the Steering Committee.

PUBLIC HEARING TO RECEIVE INPUT ON A PROPOSED AMENDMENT TO THE CITY'S CODE OF ORDINANCES – TITLE V: PUBLIC WORKS – CHAPTER 50: SOLID WASTE COLLECTION AND DISPOSAL – SECTIONS 50.05, 50.07, AND OTHERS WITHIN THIS SECTION AS THEY PERTAIN TO REQUIRED REFUSE CONTAINERS AND PICK UP:

(O-07-17)

Mayor Hatley opened the Public Hearing. Steve Zickefoose, City Manager, reviewed the proposal for an amendment to the City's Code to Solid Waste Collection.

He said, "Based on discussions during the budget work sessions, staff identified the need to standardize services and be consistent with implementation of our solid waste and collection program. In addition, the implementation of using automated garbage trucks must be considered as well. Comparisons were made with neighboring municipalities to establish a services baseline. The largest difference we found is in the area of commercial and nonprofit sites being serviced. Other municipalities either do not provide or they charge for commercial and nonprofits.

There are 238 commercial sites and 57 nonprofit sites being served now. Under our proposed plan, 85% of these sites will have no change. However, the City will potentially save \$200,000 plus in operating costs and also be able to increase residential services to include TV's and Electronics on a limited schedule and to offer bulk pick up of previously non allowed items such as toilets, sinks, tubs, etc. for a minimal disposal fee."

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A summary of the operational changes are listed below:

- Bags, boxes or other smaller containers outside of the cart will not be picked up
- Containers shall be placed at curbside for pickup and must be accessible by the automated arm
- Carts must be 3 feet from another cart, parked car, mailbox, pole, etc.
- City will provide and service up to 6 roll outs per parcel.
- Collection limited to one day per week.
- Parcels such as Shopping Centers, Apartments, etc. will be evaluated on a case by case basis considering accessibility, liability and size concerns subject to the following criteria:
 - * Apartments- Max of 6 roll outs per parcel or 1 roll out per 2 doors (max of 20) in an area designated by the City. Complex with over 40 units not eligible for service.
 - * Shopping Centers- Class A (under 10,000 sq ft)- Max of 6 roll outs per parcel or 1 roll out per door (max of 10) in an area designated by the City
 - * Shopping Centers- Class B (10,000 – 50,000 sq ft) or C- 6 (over 10,000 Max of 6 roll outs per parcel or 1 roll out per door (max of 15) in an area designated by the City
 - * Shopping Centers- Class C (over 50,000 sq ft)- No service provided
- Downtown commercial and nonprofit solid waste services shall be determined on an individual basis considering site limitations for automated pickup.
- Leaves- No bagging. Shall not be placed on any street or sidewalk that will obstruct free passage of persons and/or vehicles.
- TV's and Electronics- Change current policy so that these items are allowed to be picked up. To be picked up on limited schedule.
- Bulk- Consider pick up of non allowed items such as toilets, sinks, tubs, etc. as an optional service for a set disposal fee.

The effective date of the changes will be October 1st

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Councilman Eaddy questioned the 96 gallon roll out being very heavy for some of the elderly residents. Ritchie Haynes told him to have citizens that have trouble with rolling the carts out curbside to contact him at City Hall.

Councilman Smith wanted to make sure arrangements could be made to have them picked up if a person could not get their roll out curbside.

After further discussion, Councilman Jetton made the motion unanimously approved to close the Public Hearing.

Councilman Eaddy made the motion unanimously approved to amend the City's Code of Ordinances as recommended by the City Manager.

CONSIDERATION OF A CONTRACT BETWEEN THE CITY AND LINCOLN COUNTY FOR TECHNOLOGY SERVICES:

(C-12-17)

Steve Zickefoose, City Manager, requested that Council table this item as the City did not have a draft of the proposed contract to date. While he has had discussions with both Kelly Atkins and Dante Patterson, he said he would like to wait until he receives and reviews the proposed agreement.

Councilman Eaddy made the motion unanimously approved to table this item and place it on the August 3rd regular City Council meeting agenda, provided the City has a draft of the contract.

CONSIDERATION OF AWARDING A BUSINESS INCENTIVE GRANT (BIG- 7-2017) APPLICATION FROM BRIAN AND JANE ROLLINS FOR BUSINESS INCENTIVE GRANT FOR BUILDING RENOVATIONS FOR NEW PIZZERIA AND BAKERY AT 209 N ASPEN STREET:

Laura Elam, Planning Director, reviewed the application from Brian and Jane Rollins for Business Incentive Grant for building renovations for new pizzeria and bakery at 209 N Aspen Street.

Project Information

- Location: 209 N. Aspen Street

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- Use: Building renovations for new restaurant including:
 1. Removal, replacement and rebuilding of roof
 2. Interior up fit of electrical, mechanical and plumbing
- Total project cost estimate: \$63,000
- Anticipated start: June 2017
- Anticipated Completion: November 2017

Request

- \$15,000 for building renovations

Councilman Jetton made the motion unanimously approved to award the grant as recommended by the Planning Director and the Steering Committee.

CONSIDERATION OF AWARDING A BUSINESS INCENTIVE GRANT (BIG- 8-2017) APPLICATION FROM THE SOUND FACTORY STUDIOS, LLC FOR BUSINESS INCENTIVE GRANT FOR BUILDING RENOVATIONS FOR NEW MUSIC STUDIO AT 128 EAST MAIN STREET:

Laura Elam, Planning Director, reviewed the application from the Sound Factory Studios, LLC for Business Incentive grant as follows:

Project Information

- Location: 128 East Main Street
- Use: Building renovations for new music studio on upper level including:
 - Installation of new HVAC system
 - Installation of new electrical system doors
 - Installation of new flooring,
 - Installation of new doors,
 - Installation of soundproofing for studio

NOTE: A remote viewing area will be at street level

- Total project cost estimate: \$50,500
- Anticipated start: June 2017
- Anticipated Completion: November 2017

Request

- \$15,000 for building renovations

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Councilman Black made the motion unanimously approved to award the grant as recommended by the Planning Director and the Steering Committee.

CONSIDERATION OF SETTING FILING FEES FOR A 2017 MUNICIPAL ELECTION:

Donna Flowers, City Clerk, said the General Assembly through the passage of HB 504 (Session Law 2017-62) moved Lincolnton's regular Municipal Elections from odd numbered years to even numbered years and extended the Mayoral term to a four year term rather than a two year term. Also with two current appointees filling unexpired terms of former Council members, both Ward 1 and Ward 2, legislation states that the Ward 2 seat would on the ballot in 2018 for a two year term, then again in 2020 for a four year term. The Mayor's seat will now run with Ward 1 and Ward 3 in the General Election cycles in the future.

She said, "In the 2018 Municipal Election cycle, the City will have Wards, 1,2 and 3 along with the Mayor on the ballot. She suggested the Council take a look at their City Charter and recommend any changes in accordance with the recent legislation, to be recommended to the General Assembly in the near future.

UPDATE ON THE EAST MAIN STREET-GENERALS BLVD INTERSECTION PROJECT:

Steve Zickefoose, City Manager, told Council that the electrical work for the intersection has been the driver for the complications for the project. He said, "NCDOT is more than willing to work with Mr. Fletcher with this design, and we are looking at all angles to come up with solutions.

Laura Elam told Council, "Staff and Leonard Fletcher of TGS met with Mark Stafford, the NCDOT Division 12 Engineer earlier this month. Mr. Fletcher and Mr. Stafford discussed in detail how TGS could minimize the scope of the project while also providing enough improvements for pedestrians so that the project qualifies for federal CMAQ funding.

Mr. Fletcher and Mr. Stafford also discussed if and how the project could provide those pedestrian improvements while also complying with ADA regulations without rebuilding existing intersecting driveways and existing curb and gutter."

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Key points she noted were:

- how to ensure adequate drainage of the redesigned intersection without having to change the grade,
- how to ensure safe movement of vehicles and pedestrians, and
- how best to locate the new traffic signal poles so that as little as possible of the existing sidewalk, curb and gutter is impacted.

Laura concluded saying, “Mr. Fletcher is in the process of re-working the design plan to try to limit the project scope as much as possible while meeting all those objectives.”

Councilman Eaddy questioned if NCDOT, Division 12 is making these individual interpretations. Steve said he feels the dialogue has been open and honest thus far, as there is a better understanding of what needs to be done.

MONTHLY FINANCIAL & OVERTIME REPORT:

Steve Zickefoose, City Manager, told Council he was pleased with this month’s financials as the state tax and franchise tax amounts are up in the general fund. He reviewed all funds including water & sewer, electric and the overtime for employees which is down \$ 58,470.00 from this time last year. *(There is a detailed report in the Finance Department for the month with break downs for review)*

Mayor and Council thanked the City Manager for providing the report.

CITY MANAGER PERFORMANCE EVALUATION:

Mayor Hatley said, “An evaluation of Steve was conducted at the June 1st regular meeting in Closed Session, and we wanted to report out in open session; The City Council is very pleased with the City Manager, Steve got a very positive review, an excellent evaluation. All City Council members expressed a high rating and members expressed pleasure with how he has managed the budget and the City departments.” Mayor Hatley said, “We are happy with the direction the City is going; organizing the steering committee and pulling together for a common cause.” Mayor Hatley noted several of the major accomplishments of the City Manager in the last year and said his management has been a very positive for the City. Employee benefits have improved while he has been City Manager and has moved the City to the State Health Plan for a cost savings for employee health insurance of over 1 million dollars.” Councilman Eaddy said, “That was Steve’s idea and I applaud him

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for implementation of this plan and for saving the City money while still providing a great benefit.” “Consolidating Incentive Grants has been a positive making things easier and more efficient for the citizens.”

Mayor Hatley said he and the City Council were also very pleased with how the Assistant City Manager has been developed and utilized. Mayor Hatley reiterated that he and Council are very pleased with Mr. Zickefoose’s performance and very pleased with the direction the City is being taken.

Steve thanked the Mayor and Council for their positive comments. He said, “It’s an absolute honor and privilege to have this position. I enjoy my job and all the people I work with. It is a very rewarding job, and it’s nice to be able to work with Council that has the same insight and direction to help move the City forward.”

He said, “I have reviewed Councils’ comments on my performance evaluation and feel that they are an accurate representation of the past year and a half while serving in those roles. My time serving as City Manager as well as the Finance Director has been very busy and productive. The first year was especially challenging until the hiring of an Assistant Manager. We have been successful in several reorganizational changes that have had a positive impact on the efficiency of operations.

My focus has been on implementing the goals identified by Council as part of the Strategic Planning Process. These goals include: Infrastructure, Employee Benefits, Downtown Development and Recreation.

A highlight of accomplishments in each goal area is as follows:

Infrastructure

- Water, Sewer, Sidewalk improvements in downtown area
- Lift Station upgrades
- Electrical Substation improvements
- Mobile 311 automated work order program

Employee Benefits

- Change to State Health Plan- \$1.2 million savings
- Pay and Class Study and Implementation
- Employee Benefits Program – Pierce Group Benefits
- Changes to Holiday Pay, Overtime calculations, Longevity pay and

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- Supplemental Service pay
- Downtown Development
- Creation of Steering Committee
- Incentive Grant Program
- Aesthetics- murals, light poles, trash cans
- Planters
- Additional parking spaces

PUBLIC COMMENT:

No one spoke under the public comment portion of the meeting.

NEWS MEDIA:

There were no questions from the news media.

ADJOURNMENT:

Councilman Black made the motion unanimously approved to adjourn the meeting.

DONNA C. FLOWERS, MMC
CITY CLERK

ED HATLEY
MAYOR