

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

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

A quorum was present.

Also, present were City Manager Warren Wood, Deputy City Manager Rodney Miller, Assistant City Manager Rick Beasley, Assistant City Manager Yaidee Fox, Deputy City Attorney Arnita Dula, City Attorney Timothy Swanson, 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 Alderman Wood.
- II. Invocation by Reverend Bill Garrard, Retired Clergy
- III. Pledge of Allegiance
- IV. Special Presentations
 - A. Proclamation Recognizing Lenoir-Rhyne Women's National Champion Triathlon Team.

Mayor Guess asked the Lenoir-Rhyne Women's Championship Triathlon Team and their coaches to the podium. A standing ovation was given. Mayor Guess read and presented the proclamation to those in attendance. Photos were taken. Mayor Guess commented Lenoir-Rhyne continues to grow and change and bred champions. He advised 3.9 was their GPA average.

- B. Proclamation for SkillsUSA Week February 5-9, 2024 – Presented to Tammy Muller Executive Director, Strategic Business Partnerships and SkillsUSA, and Gary Muller, Executive Dean, Economic Development and Corporate Education, Catawba Valley Community College.

Mayor Guess asked Tammy Muller, Executive Director, Strategic Business Partnership and SkillsUSA, and Gary Muller, Executive Dean, Economic Development and Corporate Education, Catawba Valley Community College to the podium. They were not in attendance to receive the Proclamation. Mayor Guess read the proclamation.

Mayor Guess advised Alderman Wood was not present as he was attending a weeklong advanced leadership course through the UNC School of Government. He was furthering his leadership capabilities and his education. That explained his absence from the Council meeting this evening.

- V. Persons Requesting to Be Heard
 - A. Mr. Jamie Larmore, 3216 Old Shelby Road, Hickory to Discuss Water Disconnection Fees
- Mr. Jamie Larmore was not present to be heard.

- VI. Approval of Minutes

- A. Regular Meeting of January 16, 2024.

Alderwoman Patton moved, seconded by Alderwoman Williams that the Minutes of January 16, 2024 be approved. The motion carried unanimously.

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

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

- A. Budget Revision Number 13. (First Reading Vote: Unanimous)

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

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

- A. Approved the Purchase and Up-Fit of 8 Specialized Police Package Emergency Vehicles.

Hickory Police Department requests approval to purchase and up-fit 8 specialized police package emergency vehicles. Hickory Police Department staff and the City of Hickory Fleet Manager researched and reviewed independent comparison studies comparing available police package vehicles. The Ford Police Interceptor Utility all-wheel drive best fits the needs of the department based on a number of considerations. Parks Ford in Hendersonville, NC currently has the NC Sheriff's Association Contract for the Ford Police Interceptor Utility all-wheel drive with a base price of \$41,004.63. Parks Ford has partnered with Global Public Safety, LLC in Statesville, NC to provide the total "turnkey" up-fitting of these 8 specialized police package emergency vehicles. Global Public Safety, LLC would install all of the specialized and emergency equipment. Added up-fitting options provided by Global Public Safety, LLC - \$20,788.58. Total purchase and up-fitting price - \$61,793.21. Hickory Police Department recommends the purchase and up-fitting of 8 all-wheel drive Ford Police Interceptor Utility vehicles from Parks Ford on the NC Sheriff's Association Contract at a cost of \$61,793.21 per vehicle and a total cost of \$494,345.68. Hickory Police Department has funds budgeted in the 2023-2024 CIP for replacement and up-fitting of police vehicles.

- B. Approved the Resolution Authorizing Staff to Apply for a Building Reuse Grant for Project Plate.

Staff requests approval to submit a Building Reuse Grant for Project Plat. The Building Reuse Grant is offered by the North Carolina Department of Commerce to provide funding to businesses looking to occupy existing buildings. The total funding amount is based on a formula involving the number of types of jobs created. The program pays 50% of eligible rehabilitation costs up to a maximum of \$500,000. Project Plat proposes to create 80 new jobs in a manufacturing enterprise over a four-year period, paying an overall average wage at or above \$59,566, which is above the Catawba County average wage. Project Plat is requested a \$240,000 grant from the North Carolina Department of Commerce. If the grant is approved, a 5% match from the City of Hickory and Catawba County (up to \$6,000 each) would be required. Staff recommends that City Council approve the Resolution authorizing staff to apply for a Building Reuse Grant for Project Plate.

RESOLUTION NO. 24-04

City of Hickory Authorizing Resolution
Rural Economic Development Division
North Carolina Department of Commerce
Building Reuse Program
Project Plate
Building Reuse Application

WHEREAS, the North Carolina General Assembly authorized in 2014 funds to the North Carolina Department of Commerce Rural Economic Development Division to stimulate economic development and job creation. A portion of the funding authorized the making of grants to aid eligible units of government to stimulate the creation of jobs through the expansion and renovation of buildings currently in use that will spur economic activity; and

WHEREAS, Hickory desires to assist through grant funding the renovation of a building located at 2441 Highland Ave. NE, Hickory, NC; and

WHEREAS, Hickory intends to request from NC Department of Commerce Rural Economic Development Division grant assistance for the project from the Building Reuse Program for the renovation of the vacant building that will be occupied and create new full-time employment at the site:

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

That Hickory will provide a minimum 5% cash match for an application up to \$500,000 if approved for a grant.

That Warren Wood, City Manager, and successor city managers is hereby authorized to execute and file an application on behalf of Hickory with The NC Department of Commerce Rural Economic Development Division for a grant to assist in the development of the project described above.

That Warren Wood, City Manager, and successor city managers is hereby authorized and directed to furnish such information as The NC Department of Commerce Rural Economic Development Division may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That Hickory has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to the grants pertaining thereto.

Adopted this the 6th day of February 2024 at Hickory, North Carolina.

- C. Approved on First Reading the Implementation of an All-Way Stop at the Intersection of 3rd Avenue SE and 1st Street SE.

Staff request Council's approval to implement an all-way stop at the intersection of 3rd Avenue SE and 1st Street SE. City Council implemented a Neighborhood Traffic Calming Program that enables citizens to request measures to improve traffic safety in the area where they own property. Citizens are required to submit an application to request measures and provide a reason for the request. Then, the City performs analysis to determine what, if any, measures are warranted. Citizens requesting traffic calming measures are required to complete and submit a petition with 75% of properties in favor of implementation for the request to move forward. The Traffic Division staff received the completed petition from property owners along 3rd Avenue SE, 1st Street SE, and 2nd Street SE with regards to the Neighborhood Traffic Calming Program and have found the property owners to be in compliance with the guidelines. The petition qualifies for an all-way stop at the intersection listed. Twenty-three properties were included in the petition and seventeen properties signed in favor of implementation. This represents at least 75% approval, which meets the requirement. The necessary sign modifications along the roadway can be performed as a normal part of the Traffic Division's signs/markings shop operations. Staff recommends Council's approval to implement an all-way stop at the intersection of 3rd Avenue SE and 1st Street SE.

- D. Accepted the Bid and Awarded the Contract to Neill Grading and Construction Company, Inc. in the Amount of \$22,714,090.80 for OLLE Art Walk, Contingent upon NCDOT Concurrence.

Staff requests Council acceptance of the bid and award of the contract for construction of the Projects TIP # EB-5911/EB-5977 – OLLE Art Walk to Neill Grading and Construction Company, Inc. in the amount of \$22,714,090.80 contingent upon North Carolina Department of Transportation (NCDOT) concurrence. The OLLE Art Walk (formerly referred to as Old Lenoir Road and 9th Street NW Connector Multi-Use Trail) will be part of the larger Hickory Trail multi-use system and bond program that seeks to increase quality of life for residents and spur economic revitalization by providing pedestrian and bicycle connectivity throughout the City. OLLE Art Walk will specifically provide this connectivity linking City Walk with Aviation Walk and Riverwalk along 9th Street NW and Old Lenoir Road. Bids were advertised for the project and received on January 18, 2024. Two bids were received and opened but the bid from James Vannoy & Sons Construction Company Inc., in the amount of \$24,822,317.58 was deemed non-responsive, Neill Grading and Construction Company, Inc. bid \$22,714,090.80. Staff recommends Council's acceptance of the bid and award of the contract for construction of Project TIP # EB-5911/EB-5977 – OLLE Art Walk to Neill Grading and Construction Company, Inc. in the amount of \$22,714,090.80, contingent upon NCDOT concurrence.

RESOLUTION NO. 24-05

RESOLUTION BY HICKORY CITY COUNCIL ACCEPTING THE LOWEST RESPONSIBLE BID FROM NEILL GRADING AND CONSTRUCTION COMPANY, INC. IN THE AMOUNT OF \$22,714,090.80 FOR PROJECTS TIP # EB-5911 AND EB-5977 KNOWN AS OLLE ART WALK MULTI-USE TRAIL

WHEREAS, the City of Hickory received two bids and were publicly opened on January 18, 2024 for the construction of EB-5911 and EB-5977.

WHEREAS, in the evaluation of the two bidders, Neill Grading and Construction Company, Inc. was the apparent responsible low bidder for the Grand Total Bid price of \$22,714,090.80.

WHEREAS, the apparent low bid submitted by Neill Grading and Construction Company, Inc. has been reviewed for compliance with bidding requirements included in the Bidding and Contract Documents.

WHEREAS, based upon the review of Neill Grading and Construction Company, Inc. qualifications and other documentation submitted as part of the bid evaluation process, their Bid is considered to be complete and responsive with respect to the bidding requirements for this project.

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

- 1) City Council accepts the bid of \$22,714,090.80 for the construction of Project TIP # EB-5911 and EB-5977 – OLLE Art Walk Multi-Use Trail.
- 2) City Council authorizes the City Manager to execute all contract(s) and any necessary documents, between the contractor and the City for the construction of Project TIP # EB-5911 and EB-5977 – OLLE Art Walk Multi-Use Walk.
- 3) The award of the Contract will be contingent upon the review and approval of the bid documents by the North Carolina Department of Transportation.

Adopted this the 6th day of February 2024, at Hickory, North Carolina.

- E. Approved an Agreement with Catawba Valley Engineering and Testing in the Amount of \$20,000 for Trivium East Road Widening and Traffic Signal Design Project.

Staff requests Council's approval for construction materials testing and special inspection observations with Catawba Valley Engineering and Testing in the amount of \$20,000, for Trivium East Road Widening and Traffic Signal Design Project. This phase of the project will consist of the main entrance and access for the east business park. This will include road widening on Startown Road and traffic signal along with all associated work. North Carolina Department of Transportation (NCDOT) standards will be followed for the widening of Startown Road. Included in this project is the relocation of a 12" water main and additional line into the park to serve the future business. Neill Grading and Construction was awarded the project in November 2023 and scheduled to start construction early 2024. This agreement will ensure that installations of the infrastructure meet the design requirements of the contract. Soil testing, concrete testing and road surface testing are all part of this proposal. Staff recommends Council's approval for construction materials testing and special inspection observations with Catawba Valley Engineering and Testing in the amount of \$20,000, for Trivium East Road Widening and Traffic Signal Design Project. The costs will be split 50/50 between the City of Hickory and Catawba County.

- F. Approved on First Reading Budget Revision Number 14.

**ORDINANCE NO. 24-05
BUDGET REVISION NUMBER 14**

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 | 6,750 | 385,000 |
| Other Financing Uses | 1,099,120 | - |
| Public Safety | 300 | - |
| Economic & Community Development | 30 | - |
| Transportation | 2,340 | - |
| Culture & Recreation | 12,000 | - |
| TOTAL | 1,120,540 | 385,000 |

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

| FUNCTIONAL AREA | INCREASE | DECREASE |
|-------------------------|----------|----------|
| Sales and Services | 11,800 | - |
| Miscellaneous | 9,620 | - |
| Other Financing Sources | 714,120 | - |
| TOTAL | 735,540 | - |

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

| FUNCTIONAL AREA | INCREASE | DECREASE |
|--------------------------|----------|----------|
| Environmental Protection | 385,000 | - |
| TOTAL | 385,000 | - |

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

| FUNCTIONAL AREA | INCREASE | DECREASE |
|-------------------------|----------|----------|
| Other Financing Sources | 385,000 | - |

| | | |
|-------|---------|---|
| TOTAL | 385,000 | - |
|-------|---------|---|

SECTION 3. To amend the Water/Sewer Fund revenues within the FY 2023-24 Budget Ordinance, the expenditures shall be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|----------------------|----------|----------|
| Other Financing Uses | 133,429 | - |
| TOTAL | 133,429 | - |

To provide funding for the above, Water/Sewer Fund revenues will be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|-------------------------|----------|----------|
| Other Financing Sources | 133,429 | - |
| TOTAL | 133,429 | - |

SECTION 4. To amend the City Walk (#B1C001) Capital Project Ordinance, the expenditures shall be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|--------------------------|----------|----------|
| General Capital Projects | 86,627 | 346,487 |
| TOTAL | 86,627 | 346,487 |

To provide funding for the above, City Walk (#B1C001) revenues will be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|-------------------------|----------|----------|
| Investment Earnings | 86,627 | 86,627 |
| Other Financing Sources | - | 259,860 |
| TOTAL | 86,927 | 346,487 |

SECTION 5. To amend the Union Square/Streetscapes (#B1C002) Capital Project Ordinance, the expenditures shall be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|--------------------------|----------|----------|
| General Capital Projects | - | 54,993 |
| TOTAL | - | 54,993 |

To provide funding for the above, Union Square/Streetscapes (#B1C002) revenues will be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|-------------------------|----------|----------|
| Other Financing Sources | - | 54,993 |
| TOTAL | - | 54,993 |

SECTION 6. To amend the Downtown Camera Systems (#BLC003) Capital Project Ordinance, the expenditures shall be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|--------------------------|----------|----------|
| General Capital Projects | 221 | 14,621 |
| TOTAL | 221 | 14,621 |

To provide funding for the above, Downtown Camera Systems (#BLC003) revenues will be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|-------------------------|----------|----------|
| Other Financing Sources | - | 14,400 |
| Investment Earnings | 221 | 221 |
| TOTAL | 221 | 14,621 |

SECTION 7. To amend the Historic Ridgeview Walk (#B1L001) Capital Project Ordinance, the expenditures shall be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|--------------------------|----------|----------|
| General Capital Projects | 22,907 | 22,907 |
| TOTAL | 22,907 | 22,907 |

To provide funding for the above, the Historic Ridgeview Walk (#B1L001) revenues will be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|---------------------|----------|----------|
| Investment Earnings | 22,907 | 22,907 |
| TOTAL | 22,907 | 22,907 |

SECTION 8. To amend the Book Walk South (#B1L002) Capital Project Ordinance, the expenditures shall be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|--------------------------|----------|----------|
| General Capital Projects | 37,256 | 37,256 |
| TOTAL | 37,256 | 37,256 |

To provide funding for the above, the Book Walk South (#B1L002) revenues will be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|---------------------|----------|----------|
| Investment Earnings | 37,256 | 37,256 |
| TOTAL | 37,256 | 37,256 |

SECTION 9. To amend the Riverwalk (#B1R001) Capital Project Ordinance, the expenditures shall be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|--------------------------|----------|----------|
| General Capital Projects | 144,068 | 144,068 |
| TOTAL | 144,068 | 144,068 |

To provide funding for the above, the Riverwalk (#B1R001) revenues will be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|---------------------|----------|----------|
| Investment Earnings | 144,068 | 144,068 |
| TOTAL | 144,068 | 144,068 |

SECTION 10. To amend the Aviation Walk (#B1N001) Capital Project Ordinance, the expenditures shall be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|--------------------------|----------|----------|
| General Capital Projects | 24,837 | 24,837 |
| TOTAL | 24,837 | 24,837 |

To provide funding for the above, the Aviation Walk (#B1N001) revenues will be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|---------------------|----------|----------|
| Investment Earnings | 24,837 | 24,837 |
| TOTAL | 24,837 | 24,837 |

SECTION 11. To amend the Trivium Corporate Center (#B1B001) Capital Project Ordinance, the expenditures shall be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|--------------------------|----------|----------|
| General Capital Projects | 98,877 | 98,877 |
| TOTAL | 98,877 | 98,877 |

To provide funding for the above, the Trivium Corporate Center (#B1B001) revenues will be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|---------------------|----------|----------|
| Investment Earnings | 98,877 | 98,877 |
| TOTAL | 98,877 | 98,877 |

SECTION 12. To amend the Trivium Corporate Center Project Enzyme (#B1B003) Capital Project Ordinance, the expenditures shall be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|--------------------------|----------|----------|
| General Capital Projects | 6,663 | 6,663 |
| TOTAL | 6,663 | 6,663 |

To provide funding for the above, the Trivium Corporate Center Project Enzyme (#B1B003) revenues will be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|---------------------|----------|----------|
| Investment Earnings | 6,663 | 6,663 |
| TOTAL | 6,663 | 6,663 |

SECTION 13. To amend the Trivium Corporate Center East (#B1B004) Capital Project Ordinance, the expenditures shall be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|--------------------------|----------|----------|
| General Capital Projects | 24,414 | 4,414 |
| TOTAL | 24,414 | 4,414 |

To provide funding for the above, the Trivium Corporate Center East (#B1B004) revenues will be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|------------------------------|----------|----------|
| Investment Earnings | 4,414 | 4,414 |
| Other Financing Sources | 10,000 | - |
| Restricted Intergovernmental | 10,000 | - |
| TOTAL | 24,414 | 4,414 |

SECTION 14. To amend the Trivium Court Extension (#B1B005) Capital Project Ordinance, the expenditures shall be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|--------------------------|----------|----------|
| General Capital Projects | 2,533 | 2,533 |
| TOTAL | 2,533 | 2,533 |

To provide funding for the above, the Trivium Court Extension (#B1B005) revenues will be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|---------------------|----------|----------|
| Investment Earnings | 2,533 | 2,533 |
| TOTAL | 2,533 | 2,533 |

SECTION 15. To amend the One North Center (#700013) Capital Project Ordinance, the expenditures shall be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|--------------------|----------|----------|
| General Government | 261,228 | 261,228 |
| TOTAL | 261,228 | 261,228 |

To provide funding for the above, the One North Center (#700013) revenues will be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|---------------------|----------|----------|
| Miscellaneous | 238,341 | 238,341 |
| Investment Earnings | 22,887 | 22,887 |
| TOTAL | 261,228 | 261,228 |

SECTION 16. To amend the Old Lenoir Road (#B1O001) Capital Project Ordinance, the expenditures shall be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|--------------------------|------------|----------|
| General Capital Projects | 10,607,465 | - |
| TOTAL | 10,607,465 | - |

To provide funding for the above, the Old Lenoir Road (#B1O001) revenues will be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|------------------------------|------------|----------|
| Miscellaneous | 1,508,735 | - |
| Restricted Intergovernmental | 7,000,000 | - |
| Other Financing Sources | 2,014,250 | - |
| Investment Earnings | 84,480 | - |
| TOTAL | 10,607,465 | - |

SECTION 17. To amend the 9th Street Streetscape EB-5977 (#B1O002) Capital Project Ordinance, the expenditures shall be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|--------------------------|-----------|----------|
| General Capital Projects | 1,209,651 | - |
| TOTAL | 1,209,651 | - |

To provide funding for the above, the 9th Street Streetscape EB-5977 (#B1O002) revenues will be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|-----------------|----------|----------|
|-----------------|----------|----------|

| | | |
|-------------------------|-----------|---|
| Other Financing Sources | 537,958 | - |
| Miscellaneous | 671,693 | - |
| TOTAL | 1,209,651 | - |

SECTION 18. To amend the ARC Grant – 9th Av Dr NW (#546016) Capital Project Ordinance, the expenditures shall be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|--------------------------|-----------|----------|
| Environmental Protection | - | 60,000 |
| General Capital Projects | 1,339,148 | 41,122 |
| TOTAL | 1,339,148 | 101,122 |

To provide funding for the above, the ARC Grant – 9th Av Dr NW (#546016) revenues will be amended as follows:

| FUNCTIONAL AREA | INCREASE | DECREASE |
|-------------------------|-----------|----------|
| Miscellaneous | 1,104,597 | - |
| Other Financing Sources | 133,429 | - |
| TOTAL | 1,238,026 | - |

SECTION 19. 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 Closing a Portion of 1st Avenue SE, a Portion of 8th Street Court SE, a Portion of 2nd Avenue Drive SE, and an Unnamed Alley Located Off of 2nd Avenue Drive SE, as Petitioned by Jojida, LLC and Linda H. Huffman – Presented by Public Works Director Steve Miller.

The City Clerk received a petition from Jojida, LLC and Linda H. Huffman, owners of the properties abutting a portion of 1st Avenue SE, portion of 8th Street Court SE, portion of 2nd Avenue Drive SE, and an unnamed alley located off of 2nd Avenue Drive SE. The petition requests the City to close the aforementioned areas per NCGS § 160A-299. The aforementioned areas are bound by the properties owned by the Petitioners Jojida, LLC and Linda H. Huffman. The signatures on the petition represent all the owner(s) of the property abutting these portions of the right-of-way. The petition fee of \$830 has been paid. A memo was sent to various departments for their input on the street closing. Public Utilities advised 1st Avenue SE and 8th Street Court SE both have public water and sewer infrastructure that is in service. These utilities serve properties that are not part of this closing. A 25-foot utility easement needs to be recorded for this infrastructure or appropriate relocation and easements need to take place at the requestor’s cost. Staff recommends Council conduct the public hearing to consider closing a portion of 1st Avenue SE, portion of 8th Street Court SE, portion of 2nd Avenue Drive SE, and an unnamed alley located off of 2nd Avenue Drive SE as petitioned by Jojida, LLC and Linda H. Huffman.

The public hearing was advertised in a newspaper having general circulation in the Hickory area on January 6, 13, 20, and 27, 2024.

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

City Manager Warren Wood asked Public Works Director Steve Miller to the podium to present Council with a request to close a portion of 1st Avenue SE, a portion of 8th Street Court SE, a portion of 2nd Avenue Drive SE, and an unnamed alley located off of 2nd Avenue Drive SE, as petitioned by Jojida, LLC and Linda H. Huffman.

Public Works Director Steve Miller gave a PowerPoint presentation. He discussed the two-party street closing petition. The City Clerk received a petition from Jojida, LLC and Linda Huffman to close a portion of 1st Avenue SE, portion of 8th Street Court SE, a portion of 2nd Avenue Drive SE, and an unnamed alley. The aforementioned areas were bound by the properties owned by the petitioners, Jojida, LLC and Linda Huffman. Public utilities advised 1st Avenue SE and 8th Street Court SE both had public water and sewer infrastructure that was in service. These utilities served properties that were not a part of this closing. A 25-foot utility

easement needs to be recorded from this infrastructure or appropriate relocation and easements need to take place at the requester's costs. He referred to the PowerPoint, displayed a map, and pointed out Lenoir-Rhyne Boulevard, and Tate Boulevard. He noted that currently these areas do not have anything on the actual site itself. He pointed out the unopened alley and advised it never actually came to fruition. This plat was recorded in 1924. He displayed an aerial map and pointed out Tate Boulevard and Lenoir-Rhyne Boulevard. He pointed out an old section of 1st Avenue SE, 8th Street Court, 2nd Avenue, and the unnamed alley. They could see that none of the streets were ever put into play or had houses on them. He thought there may have been a section here that at one time had some houses on them but had been since torn down. He pointed out the parcel that Linda Huffman owned. All the other tracks throughout the whole site were owned by Jojida, LLC. Staff requested Council's approval of a Resolution and Order closing these portions of unused street sections. He asked for 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.

Mr. Gary Abernethy advised he wanted to speak regarding the Mountain View rezoning, he had signed the wrong signup sheet.

No one spoke in opposition.

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 to close a portion of 1st Avenue SE, a portion of 8th Street Court SE, a portion of 2nd Avenue Drive SE, and an unnamed alley located off of 2nd Avenue Drive SE. The motion carried unanimously.

RESOLUTION NO. 24-06
RESOLUTION AND ORDER

WHEREAS, Jojida, LLC AND Linda H. Huffman owns properties adjoining the following described area, in the City of Hickory, County of Catawba, which is further described as follows:

A portion of 1st Avenue SE, a portion of 8th Street Court SE, a portion of 2nd Avenue Drive SE, and an unnamed alley located off of 2nd Avenue Drive SE

Lying and being situate in the City of Hickory, Hickory Township, Catawba County, North Carolina, and being more particularly described as follows:

Being located in Hickory Township, Catawba County, North Carolina and more particularly described as:

Tract 1 (portions of 1st Avenue SE., 2nd Avenue Drive SE., and 8th Street Court SE. requested to be closed):

Being those streets lying and being in the City of Hickory, Catawba County, North Carolina and being more particularly described as follows:

Commencing at a 1/2" existing iron rod in the eastern margin of Lenoir Rhyne Boulevard S.E. being the northwestern corner of Linda H. Huffman, now or formerly (Deed Book 1597, Page 156) ("Huffman"); thence N78°02'53"E 86.90 feet along the northern line of Huffman to the point and place of BEGINNING, said place of beginning also being the northeastern corner of Huffman:

Thence from the point and place of BEGINNING along the old northern margin of 1st Avenue SE the following six courses and distances: (1) N54°16'05"E 49.16 feet to a 1" existing iron rod; (2) N86°15'22"E 64.64 feet to a 1/2" new iron rebar; (3) N86°57'52"E 54.76 feet to a 1/2" new iron rebar; (4) S89°03'12"E 105.00 feet to a 1/2" new iron rebar; (5) N13°05'24"E 30.82 feet to an existing right-of-way monument; (6) N85°20'51"E 34.00 feet to a 1/2" new iron rebar, said new iron rebar also being the northwestern corner of Jojida, LLC, now or formerly (Deed Book 2224, Page 817) ("Jojida 1"); thence, turning south, and proceeding along the old eastern margin of 8th Street Court SE, the same being the western line of Jojida 1, the following three courses and distances: (1) S17°35'21"W 30.14 feet to a 1/2" new iron rebar; (2) thence S12°15'53"W 23.68 feet to a 1/2" new iron rebar; (3) thence S17°21'53"W 161.97 feet to a 1/2" new iron rebar; thence, turning east, and proceeding along the old northern margin of 2nd Avenue Drive SE, the same being the southern line of Jojida 1 and Jojida, LLC, now or formerly (Deed

Book 2736, Page 1088) ("Jojida 2"), the following three courses and distances: (1) S70° 11'56"E 418.50 feet to a 1/2" new iron rebar being a corner of Jojida 2; (2) thence turning north, N18° 02'31" E 13.20 feet to a 1/2" new iron rebar being a corner of Jojida 2; (3) thence turning east, and proceeding along the old northern margin of 2nd Avenue Drive SE, S70°11'56"E 59.00 feet to a 1/2" new iron rebar being a corner of Jojida 2; thence turning south, and crossing 2nd Avenue Drive SE, S09°39'35"W 26.49 feet to a point in the northern line of Jojida, LLC, now or formerly (Deed Book 2460, Page 996 and Deed Book 2323, Page 1140) ("Jojida 3"); thence turning west, and proceeding along the old southern margin of 2nd Avenue Drive SE, the same being the northern line of Jojida 3 and Jojida 2, N70°11'56"W 477.50 feet to a 1/2" new iron rebar being the northwestern corner of Jojida 2; thence, turning south, and proceeding along the old eastern margin of 8th Street Court SE, the same being the western line of Jojida 2 and Jojida, LLC, now or formerly (Deed Book 2278, Page 515) ("Jojida 4") the following two courses and distances: (1) S00°17'20"W 43.75 feet to a 1/2" new iron rebar being the southwestern corner of Jojida 2; (2) thence S25°03'02"E 133.26 feet to a 1/2" existing iron rebar, being a point in the western line of Jojida 4; thence, turning west, and proceeding across 8th Street Court SE, S64°35'15"W 19.13 feet to a 1/2" new iron rebar being the southeastern corner of Jojida, LLC, now or formerly (Deed Book 2944, Page 1924); thence turning north, and proceeding along the old western margin of 8th Street Court SE, the same being the eastern line of Jojida, LLC, now or formerly (Deed Book 2249, Page 145; Deed Book 2228, Page 1500; and, Deed Book 2224, Page 817) the following three courses and distances: (1) N26°07'11"W 128.49 feet to a 1/2" existing iron rebar; (2) thence N02°09'07"E 72.42 to a 1/2" existing iron rebar being a point in the eastern line of Jojida, LLC; (3) thence N17°21'53"E 151.69 feet to a 1/2" existing iron rebar being a point in the eastern line of Jojida, LLC; thence, turning west, and proceeding along the old southern margin of 1st Avenue SE, S88°15'13"W 273.29 feet to the point and place of BEGINNING.

Tract 2 (alley requested to be closed):

Being that unnamed alley lying in the City of Hickory, Catawba County, North Carolina and being bordered on the east by Lots 25 through 38 and on the west by Lots 12 through 24 as shown on the plat entitled "Subdivision of C.C. Bost Property" prepared by G.L. Stine dated April 15, 1924, and recorded in Plat Book 1, Page 97 of the Catawba County Registry (the "Plat"). The same being described by metes and bounds as follows:

BEGINNING at the northwestern corner of Lot 38, as shown on the Plat; thence S17° W 330 feet along the western lines of Lots 25 through 38 to a point, said point being the southwestern corner of Lot 25, as shown on the Plat; thence N72° W 25 feet to a point, said point being the southeastern corner of Lot 24, as shown on the Plat; thence N17°E 327 feet along the eastern lines of Lots 12 through 24 to a point, said point being the northeastern corner of Lot 1,2 as shown on the Plat; thence S80.5°E 25 feet, to the point and place of BEGINNING.

WHEREAS, following the filing of said petition with the City Council, a notice of public hearing upon the question of closing and abandoning said area for public roadway purposes was advertised in *The Hickory Daily Record* in the issues of January 6, January 13, January 20, and January 27, 2024.

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

THAT, the above-described area be and the same is hereby ordered to be closed and abandoned for roadway or street purposes, in accordance with the provisions of Chapter 160A, Section 299, of the General Statutes of North Carolina, and the Charter of the City of Hickory;

BE IT FURTHER RESOLVED that the City of Hickory reserves the right, title and interest in any utility improvement or easement within the above-described street or roadway to be closed, pursuant to the provisions of 160A, Section 299, of the General Statutes of North Carolina; and

RESOLVED, FURTHER, that all rights, title, and interest of the City of Hickory in and to the area covered by said street shall vest in the respective owners of the land adjoining said area, all in accordance with the provision of the abovementioned section of the General Statutes of North Carolina.

BY ORDER OF THE HICKORY CITY COUNCIL.

ADOPTED ON THIS 6TH DAY OF FEBRUARY, 2024.

2. Approved on First Reading Consideration of Rezoning Petition 24-02 requested by Gregory Williams for 29.59 acres owned by GTC Investment Properties, LLC, Located on Highway 127 South between Moss Farm Road, and Nello Drive – Presented by Planning Director Brian Frazier

Staff requests Council's consideration of Rezoning Petition 24-02 to rezone approximately 29.59 acres, located on Highway 127 South, between Moss Farm Road and Nello Drive, from low density residential (R-1) and commercial corridor (CC-2) to planned development (PD). The current R-1 zoning district is primarily residential and permits one and two-family residential uses at a density of two dwelling units per acre. Commercial corridor (CC-2) is primarily residential in nature but does allow for up to thirty units per acre for residential development. The requested planned development is proposed to be residential in nature. The development on the newly acquired parcels would consist of 198 single-family residential units, consisting of 118 single-family detached homes and 80 townhomes. The development will include two outparcels along Highway 127 for future non-residential development. The Hickory Regional Planning Commission conducted a public hearing on January 24, 2024 to consider the petition. Upon closing the public hearing, the Hickory Regional Planning Commission acknowledged the petition's consistency with the Hickory by Choice 2030 Comprehensive Plan. Based upon its findings, the Hickory Regional Planning Commission voted (6-1) to recommend approval of the petition. Staff concurs with the recommendation of the Hickory Regional Planning Commission.

The public hearing was advertised in a newspaper having general circulation in the Hickory area on January 27, and February 3, 2024.

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

City Manager Warren Wood asked Planning Director Brian Frazier to the podium to present Council with rezoning petition 24-02 requested by Gregory Williams for 29.59 acres owned by GTC Investment Properties, LLC, located on Highway 127 South between Moss Farm Road, and Nello Drive.

Planning Director Brian Frazier gave a PowerPoint presentation. He discussed rezoning petition 24-02. As City Manager Warren Wood elaborated on the location was Highway 127 South between Moss Farm Road and Nello Drive. The current zoning was City of Hickory, low density residential, R-1, and City of Hickory commercial corridor, CC-2. The property size was just under 30-acres, currently consisting of four separate parcels. He gave some background on this. The applicant submitted a petition requesting to rezone the subject properties from low density residential, R-1, and commercial corridor, CC-2, to a planned development, PD. He noted that the subject properties had previously been annexed by Hickory City Council. These four parcels were in the southernmost City zoned properties along Highway 127 South. In fact, these four subject properties were the furthest properties that had been annexed into the City. Anything south of that was within Catawba County's jurisdiction both in terms of zoning and governmental. These properties were annexed within a few years of when he started with the City and a rezoning at the time for apartment uses was denied by Council. That was probably back in maybe 2007 or so. The properties had been annexed, but they had never been given a zoning designation and that was many Council people and a couple of Managers ago. Mr. Condeelis at the time, who was the point person, which he thought evolved into GTC Investments Properties, LLC had brought numerous proposals before staff that never made it to the Planning Commission because they either did not comply at the time with the Hickory Future Land Use and Transportation Plan or Hickory by Choice 2030, or whatever complied with State and Federal law or the City's Land Development Code. There were numerous other proposals that never made the light of day. The request here was for a planned development proposed to be primarily residential, market rate in nature. Development on the parcels would consist of 198 single family residential units. The development would include two out parcels for future non-residential development that was right along Highway 127. On the west side it was currently CC-2. He referred to the PowerPoint and displayed a map. He pointed out the subject area, the area which was currently low density residential and the area which was the commercial corridor. This property takes in approximately 400 feet, if that much, of commercial corridor and the balance of the property was R-1 in zoning designation. He displayed a zoning map and pointed out the subject property, the balance of the property was R-1, the front of the property was CC-2. He noted the area that was the County R-20 zoning designation, the OI City of Hickory area, and the commercial corridor area. He pointed out the area near Bethel Church Road and along the 127 corridor that was all County highway commercial. Basically, with this property it was commercial to the north and south, and most of the area on the other side was residential in nature except as highway commercial and then the existing business development across the street from

127 South which was currently City of Hickory CC-2. He displayed an aerial ortho of the property and pointed out the four subject parcels, 127 from north to south, the area of commercial development, Mountain View Hardware which was in the limits of the County of Catawba, a gas station, a Mexican restaurant, the Food Lion shopping plaza that extended to the north, this was commercial. Mr. Frazier displayed another aerial ortho photograph and pointed out the subject property, and the areas surrounding the subject property that were most in the County. Those were existing major subdivisions that had been in the neighborhood of the area for quite some time.

Mr. Frazier discussed the water supply watershed. He referred to the PowerPoint and displayed a map pointing out the subject property. The area across the street from the proposed subdivision including touching the subdivision for maybe about 100 or so feet was a part of the Jacobs Fork watershed. Jacobs Fork water supply watershed was classified as WS 3 protected. Parcels greater than one acre must comply with the watershed requirements. Both planned out parcels were less than one acre in size, but all non-residential development shall be subject to a maximum and pervious coverage limit of 24%. The Jacobs Fork watershed was somewhat more restrictive in many ways than the Lake Hickory watershed.

Mr. Frazier advised for rezoning petition 24-02, for development potential, the current low density residential R-1 zoning allowed for primarily residential uses. As currently zoned the subject properties could theoretically, that was taking into consideration streams, topography, parking, sidewalks, other impervious surfaces, could yield up to 254 dwelling units with seven acres of commercial CC-2, 210 apartments, 22 acres of residential, R-1. The potential uses for the R-1 zoning included single family attached and detached homes. Single family attached was basically townhomes. Mobile homes and mobile home parks were allowed in the R-1. They had those proposals and shot them down before. Group living facilities, telecommunication towers, family care homes, group living facilities, religious institutions, schools, RV parks, etc. That was not a complete list but that covered quite a few of the potential uses. In the CC-2, again, not every use but residential development. This would be right along the 127 corridor that CC-2 that he showed before, that would allow 30 units per acre, multifamily use, apartments. It would also allow retail uses, professional offices, personal services, medical centers, colleges, as well as parks, and playgrounds, etc. in that zoning district. For the rezoning petition itself and the planned development regulations, there were approximately 12 of them. For the minimum acreage for a PD, it was two acres, which this project easily met. Council could go as high with a maximum density of 20 units per acre. He believed the applicants this evening, which they could speak for themselves, were looking at a density of about 6.7 acres per unit. The applicants were required to submit a plan development master plan that included the following, that could be anything from the scale, the North arrow, the name of the developer, all the way down to proposed street layout, subdivision, location of parking, roads, all of that. Most of these things were done through a combination of City Council and then some were more defined after. Because should the rezoning be approved, then it would still have to go through an extensive process and get signed off by the State of North Carolina, two different Catawba County departments, and then all of the departments dealing with development within the City of Hickory.

Mr. Frazier discussed the development background. The plans depict properties as totaling 198 single family residential units, 118 of those were single family detached and 80 townhomes. In total the proposed development would have a density of roughly 6.7 units an acre and the development density was proposed to be approximately one third of the maximum density of 20 units per acre as allowed by the Land Development Code for the planned development regulations in article five. There was two proposed out parcels for future non-residential development that totaled approximately 1.57 acres and that would be restricted to some extent by the Jacobs Fork watershed. The development proposed would include a small amenity area with designated open space, and a dog park for the residents of the property. He referred to the PowerPoint and displayed a rendering of the preliminary plan. He pointed out the outline of the property, Highway 127 heading to the south, the two proposed commercial properties, and the trees noted on the preliminary plan. He pointed out the internal road network, the area, which was single family detached, and the area which was single family attached townhomes. He believed most of the buildings, if not all, had five units within each structure. He noted the storm water control measures. There was a stream that ran through the property. He referred to the PowerPoint and advised this slide was a more pronounced detailed site plan of the PD requirements. The various parcels were outlined, the road network, the townhomes, all of the notes, all of the proper blocks the name of the development the professionals aligned with it, the north arrow, the vicinity map, street sections and a microcosm look of how the townhouses would be laid out as well as the cul-de-sacs and road cross sections and layouts as

required in the City's manual of practice which fell under Mr. Steve Miller's department.

Mr. Frazier displayed a list of the goals and policies. Within the goals and policies section of chapter three of the Hickory by Choice Comprehensive Plan, a number of goals and policies were provided that addressed development and they could read those, and they were provided in the agenda packet sent to them, the various goals of Hickory by Choice. Staff recommended the adoption of a statement affirming the petition's consistency with the Hickory by Choice 2030 Comprehensive Plan. The development of the property shall adhere to the regulations provided in the Land Development Code and again, other applicable County, State and Federal standards. City staff recommended that they follow the DOT (Department of Transportation) recommendations. That the Traffic Impact Analysis (TIA) be conducted before the project start up. Based upon the findings, the Hickory Regional Planning Commission, on the 24th of January, voted 6 to 1, with one member absent, to recommend approval of the petition. Another recommendation would be recommendation of approval to Hickory City Council. As of yesterday, staff had received two or three walk-ins that were requesting the plans and asking questions, and about 20 or so citizen phone calls about the petition to the planning staff. He asked for any questions that Council had this evening.

Mayor Guess asked if he was correct that as the property was currently zoned now, without any action from Council, or any intervention by anybody that might be present, that the front portion of the property that was an acre and a half roughly, could accommodate up to 30 or 40 apartments and the remaining backside of that could possibly have as many as 60 mobile homes or trailers as it was currently zoned today. Without any real authorization or rezoning or anything.

Mr. Fraizer answered the last part of the question first, yes in the R-1 because of about 29-point acres, you could have about 58 single family homes or duplexes or mobile homes within the R-1. In the CC-2 because they were looking at a density of 30 units an acre. They could have about 40 because you have 1.57 acres, but that would be limited by the Jacobs Fork watershed. As he detailed, yes, sir, that was correct.

Mayor Guess asked if it was also fair to say that with that, if they would have to change any entrances or anything for that or how would that work?

Mr. Frazier advised there would be two new entrances that in a preliminary pre-application meeting, that City traffic, Public Services, the City Fire Department, life safety division and the regional NCDOT agreed upon two entrances into the property from Highway 127.

Mayor Guess asked Mr. Frazier if he could elaborate just a little bit on planned development and what all that entailed as far as the difference?

Mr. Frazier explained R-1 and CC-2 were considered base zoning districts. A planned development was an overlay, or a zoning designation permitted under North Carolina General Statute that pretty much was an overlay or superseded the base zoning districts, and again the base here of CC-2 and R-1. If they were looking at a planned development that required Council approval, if they were so inclined, the planned development was the strictest form of zoning that any municipality had under its control. Because they were looking at this plan tonight, they were looking at the road entrances, the street network, the density count, the number of homes, the open space, the storm water control measures, etc., etc. If any of that changes in a major way, such as if the applicant, should this be rezoned, came to him later and said "Brian, we changed our mind, this is all apartments now", they would have to start from scratch with another public hearing at the Planning Commission and another public hearing before the Hickory City Council. With a planned development, staff knows what they are getting. The residents know what they are getting and the City administration, including the elected body, the City Council, knows what they are getting. Anything that was a major change to the planned development would basically be revoked and the process would have to start all over again. They were looking at 198 units here. If this was rezoned in a couple of years down the road, they got a question that they want it to be 300 units, no, that was not going to happen. They could say they want to go down to 150 then that was a minor and that by Statute, he as the Planning Director could approve that. But the PD was like a conditional use district where there was almost a contract between a developer, the City, and the residence. They know exactly what they were getting. For example, if this property was not rezoned. He mentioned the various duplexes, single family houses, mobile homes, that could go on it. If they zoned it to an R-4, which he and his staff, and he was sure the Planning Commission would have recommended it could be at a much higher

density and allow pretty much every housing unit except mobile homes. The PD was the most restrictive form, and everybody knows what they were getting.

Mayor Guess asked if they just recently learned that DOT plans for a traffic impact analysis as it related to this.

Mr. Frazier commented yes, sir. Yes, Mayor. He found that out recently. He believed that DOT was looking at doing a traffic analysis for the proposed road widening of 127 South that they had heard about for a number of years, that had been, pun intended, kicked down the road to at least 2027 or 2028. But now for this project DOT had come back in correspondence with him, since the Planning Commission mind you, that they were going to require a transportation impact analysis for this project.

Mayor Guess commented that further enhances the development overall potentially.

Mr. Frazier advised it looks at the whole traffic situation, but it also looks at the safety of residents traversing 127 North and South, and the residents of any proposed subdivision or those commercial entities, whether they could turn right or left. He heard nothing about signalization, that could be a possibility of DOT. He would not know. There could be such as right in, right out, deceleration lanes, acceleration lanes. There was a lot that was factored in that TIA, but it would address the traffic flow and it would address safety concerns.

Mayor Guess asked for any other questions for Mr. Frazier.

Alderman Seaver commented that Mr. Frazier said there was going to be two entrances and they were both on 127. No other entrances.

Mr. Frazier advised there was no other way to access the property unless the developers bought other pieces of property. He thought they had made a couple of offers to other residents, but the other residents did not want to sell. DOT, public services, including traffic and the fire department, and his office, agreed on a pre-application basis that those two entrances would be okay.

Alderman Freeman thanked Mr. Frazier for the tremendous work that he continues on doing for the City. Just to drive home, just to make sure that he was understanding this correctly, that while it was on the low density of R-1, that a mobile home park could be developed there. Whether Council voted for it or not, whether it then goes to CC-2, could mobile homes still be developed.

Mr. Frazier commented that mobile homes could not be placed in CC-2 district.

Alderman Freeman saw that there was a vote in the Planning Commission, he believed 6 to 1.

Mr. Frazier confirmed that was correct.

Alderman Freeman asked if he heard him correctly, was that the one that was just absent, or they voted against it.

Mr. Frazier advised one person was absent, and one person voted against the proposal. Since it was a legislative hearing and not quasi-judicial, he did not have to state the reasons for his denial, but he did vote against it.

Alderman Freeman confirmed he did not state the reason.

Mr. Frazier replied no sir.

Alderman Freeman also saw that there were many of the citizens that lived in that area, and they were getting ready to come and voice their concerns and their convictions. He wanted to know as the Planning Commission got together, what were many of the concerns of the citizens that were here now at that Planning Commission?

Mr. Frazier could not speak for them, but he would try to elaborate briefly as they were concerned about additional developments. They were concerned about environmental conditions in terms of storm water runoff, the creek sedimentation. They were concerned about traffic. Adding on to the population base. They were concerned about the impact to the school district. How many more students this would bring in to the various schools in the County? He thought their biggest concerns were the density of the development. The impacts on the current educational system, and the impacts on the road network and traffic.

Alderwoman Williams asked if Mr. Frazier could give them the differential in terms of capacity. She has spoken to a number of people and capacity seems to be the overriding issue in terms of the number of units. She asked if he could do a comparison of R-1 how it was currently zoned, the upper level of what could be built on there with the planned development that was being proposed.

Mr. Frazier commented a few years ago that the Census Bureau was figuring about 2.3 children per household. He believed that was now down to like 1.66 or 1.67 children per household. He understood that Mountain View Elementary, which he heard was a very good school, they were close to running at capacity now. Where some of the other elementary schools in the district were below capacity. One thing he found out from a person he knew, and this was hearsay, but his grandson was at one elementary school in the district and moved to the Mountain View Elementary school for a fee. He said it was for a fee. He was not aware of that. That was the first time he heard that. He did not know if that had anything to do with the capacity but definitely the rate of live births had gone down substantially in the last decennial census.

Alderwoman Williams was actually thinking of housing units. She knew education and the capacity was an issue. She thought they received some information that was not usually considered.

Mr. Frazier advised under North Carolina General Statute the Planning Commission and Council basically have nothing to do with the school and enrollment or the capacity or any type of notification of the school beyond the public realm and that type of notification about the number of new housing units that would come on. What school district and what specific school they would impact. They had seen that in other places where there was redistricting measures because of that.

Alderwoman Williams mentioned she was on the school board for eight years and knew that when there was a demographic shift, where there was an increase, the school district had to accommodate the students. She thought they got a couple of reports from the Council of Governments saying there were some underpopulated schools actually in that area.

Mr. Frazier commented in that district, his understanding, yes. Some of the schools were quite underpopulated.

Alderwoman Patton asked when they do the traffic impact analysis if they could recommend signalization.

Mr. Frazier replied they could, yes ma'am. They could also recommend acceleration or deceleration lanes. He had not seen, nor he did not know if any of them had seen the most recent version of North Carolina DOT plans for what type of widening they were going to do. He knew the extent pretty much north south but the widening, he did not know how much new right of way they were going to require, but he assumed they could ask for signalization, they could talk about limiting the movement right in right out. They could ask for acceleration or deceleration lanes as they had done for other projects.

Alderwoman Patton commented they knew that DOT was reactive, not proactive just like the schools.

Mayor Guess asked if he was correct that staff had turned down proposals up to and over 500 units for this particular parcel and several other proposals that were 400 or 500 units.

Mr. Frazier replied yes sir. In two parts, as he mentioned earlier, between 2007 and this proposal just brought to them a couple of months ago, staff had turned down at least half a dozen to a dozen proposals that never saw the day in front of the Planning Commission or City Council. When they first received plans for this, there was more of a multifamily component over 500 units and after a couple of meetings, pre-application meetings, it was brought down to the 198 that staff could live with in terms of complying with Hickory by Choice and the Land Development Code.

Mayor Guess asked for any other questions for Mr. Frazier. He reiterated the rules that he explained earlier. It was Council's intention that everyone got to voice their opinion. Obviously, there was restrictions to that. He recommended they not be repetitive in something that had already been stated or something that had already been said. He, Council members, and staff had probably spoken to some of them individually, either on the phone or in person, all of the correspondences, and

emails, everything had been shared with each other. It has been circulated with staff and reviewed. They were continuing to consider everything that had been put before them including the citizens that wished to speak this evening. He declared the public hearing open and asked if there was anyone present to speak in opposition to the proposal. He asked them to state their name and address. The Clerk would be keeping a timer, 15 minutes for those in opposition and 15 minutes for those in favor.

OPPONENTS

Mr. Gary Abernethy, 4394 NC Highway 127 South, commented this was way overkill on the amount of units for this amount of land. He wanted to know, and he did not plan on getting an answer, but what were the Mountain View residents going to benefit from this? That was one concern. What was it going to benefit them and who was going to gain out of it? He was sure their Planning Commission voted the way they would want them to, but there was not but one that listened to this group in here and voted against it. They just as well not even show up because they paid no attention to what they had done. He felt like Council were probably going to do the same thing. He hoped he was wrong, but they could pass this and the next time they ran for re-election they could campaign on how much they had increased the City of Hickory's tax base. This big developer out of Florida, he was going to take his profits and take it back to Florida. It was not going to stay in Mountain View. It was going back to Florida, and they had enough problems in Mountain View without the additional traffic that was going to cause. If they got over there at four or five o'clock in the afternoon and tried to come out on 127 to make a left turn you were out of luck. Highway 127 North got to be worse than this before it ever got corrected. His understanding was the State had put a hold on this project over there and they had changed their mind or plans a time or two. If it goes like the City did in 127 North it would be five or 10 years before that road was done, because they knew how long they dragged along on doing that. Along with Highway 321, they spent 20 years surveying Highway 321 before they ever built it. This would be a little bit of the same thing. As far as the environment, he was all the time reading in the paper where the City of Hickory has a sewer spill at one of these pump stations or whatnot. Those things are not fail proof. It was just a matter of when the spill would happen in that little creek out on that property because these pump stations were not foolproof. They always claim in the news when they have a spill of so many 1,000 gallons, he did not know how they measured that, but they always say it was no danger to the environment. Why do they have treatment plants if it was no danger, just dump it all in the creek. Hickory had enough problems of their own with the traffic, the homeless people, and the sewage spills that they have all the time. At the hearing the other week before the Planning Commission, there was one person who spoke for it. He was the only person who spoke for it. He asked again, how this was going to help Mountain View residents? He did not expect to get an answer to this. He expected Council to approve it just like their planning board did. Another thing is the people in Mountain View do not get to vote to put any of them out of office. They have no say so and they have jurisdiction over them. They have no say so to even vote for or against them. He hoped he made his point clear. If anybody has any questions or if anything he said was wrong, he would be glad to correct it.

Ms. Angela Christopher, 4239 River Road, advised her family had been on the same property since 1885. She had seen a lot of changes. She was not that old, but she did see Highway 321 get built. She thought it was amazing watching that highway getting built. But something that they have to remember about Highway 321, just as the gentleman stated, and just like the gentleman stated about a traffic impact analysis, that first stage emptied right into 127. She provided Council with a map. Unfortunately, she did not have enough for everyone, but this was the NC Department of Transportation's annual average daily traffic map. She had all of the ramps that were marked coming eastbound and westbound from I 40. They come straight down onto Highway 321. They had to make an immediate left onto 321 or you end up on exit 42, which was Highway 127. At that point, at exit 42, which was the exit they would have to take to go to this development, there were already 40,000 cars going through here daily. Right before the light on Zion Church Road. She had made her exit. She finally made it to 127. She had got to Zion Church Road. She was still at 23,500 cars before they had to narrow down to one lane. It was right guys. 2027 was when the Department of Transportation was planning on widening 321. She was just simply asking, let's not put the cart in front of the horse, build the road and then invite the neighbors in. She thanked Council.

Mr. Charles Bolick, 1822 Woodridge Circle, in the Woodridge community in Mountain View. He sent all of them an email and he hoped they had a chance to read it. He was a lifelong resident of Hickory and he had seen obviously; it had already been stated, many changes in his 69 years here. One thing he wanted to point out was that they have the Hickory by Choice Comprehensive Plan for 2030.

And from the 2022 update, it states "While Hickory is a diverse place, residents appreciate harmony as the City manages development, it should keep in mind that balance and compatibility are important characteristics. This guides the designation of land uses on the comprehensive plan map, informs zoning district standards, and shapes land use and subdivision approvals. New uses must fit in respecting the context in which they are set." As they have seen, the developer wants to build 118 single family homes and 80 townhomes. That density would not fit in with the existing subdivisions in Mountain View. The nearby subdivisions Westover Woods, Woodridge, Meadow Brook Village, Plaza Ridge, Homestead, Clearview Acres, and Forest Ridge all average anywhere from 4/10 to 6/10 even up to 1.1 acres per unit. Obviously, this proposed density would vastly exceed that. In 1979, AT&T launched a commercial, had a little jingle in it, said reach out and touch someone. Well with the proposed density, neighbors in that development could reach out of their windows and touch their neighbors. He recently traveled to the coast and on the way there and back, they passed many new developments. Where again the neighbors could just reach out and touch someone. All these developments were cookie cutter homes. It was very boring. They do not have boring looking communities in Mountain View now, and he certainly does not want that to happen in the future. If this was approved, there would be more development and he was not opposed to development. It was just that they need to control the density and plan smartly. He thanked Council.

Mr. Doug Chapman, 5765 Nello Drive, thanked Mr. Williams, the developer, for meeting with several of the residents earlier this week so that they could share some of their concerns. He was not going to repeat the things that the gentleman said about the density, but they recognized in the map that staff showed that their Hickory by Choice 2030 plan showed most of this property as being low density residential. In Section 3.1.2 of the Land Development Code characteristics of residential zones "A" the low-density R-1 district implements the low-density residential policies of the Hickory by Choice Comprehensive Plan and it allowed a maximum of two dwelling units per acre. That was what their planning document outlined. This project was well beyond that. In the presentation earlier, regarding the goals that Mr. Frazier did not read but he provided for Council to look at, goal number one said expects new development to fit in. This density proposed does not fit in with the surrounding areas. The lot size that Mr. Williams was proposing of 5,100 square feet, was a third the size of the smallest lots in the surrounding area. Goal number two said that neighborhoods should be designed to provide pedestrian access to daily services. There were no sidewalks in Mountain View for people to walk to. This development does not meet that goal. This project was in no way consistent with the Hickory by Choice 2030 Comprehensive Plan, and it does not conform with that plan. The rezoning, if you look at some of the language in their Land Use Code, it said that a rezoning should be in response to changing conditions or reasonably necessary to promote the public health, safety, and general welfare. In this project there were no changes in the area that would warrant a plan of rezoning. There was a need for housing in the area. They all recognized that. There was a right for this property owner to develop the property. They agreed to that, just not at a density of 6.7 units per acre. The increased traffic, imperviousness of the development density, the school crowding, and the strains on other services in the community did not promote the public health, safety, and welfare of the community. If the Council chooses to approve this project, he asked them not to say that the project was consistent with the Hickory by Choice 2030 Comprehensive Plan, because it was not. If the purpose was to provide more housing, and to provide more revenue, that was the Council's choice because they were elected to make that choice, even though none of those residents in Mountain View got to elect them. Then please say so. The last point he wanted to make was a portion of this development, he referred to the PowerPoint slide, and advised if they looked at the corners of the property it was in the Duke transmission right of way. If they choose to approve this project and the developer could not build in those areas because it was in the right of way, please do not let them move those units somewhere else. Let's at least lower that density in those areas. He thanked Council.

Mr. Chad Stodden, 5768 Bakers Point, in Mountain View in Hickory, advised he did not want to be repetitive. A lot of what he had was semi repetitive. He wanted to state one thing up front, just because they could, did not necessarily mean that they should. He did not think from hearing from most of his neighbors that any of them were against the property development for residences on that property or many other places in Mountain View. Residential building was going to come. Their biggest issue was with volume and the density, to frankly what was a small piece of land. They were told it was 29.59 acres, but that was not necessarily 29.59 buildable acres. As was stated, 6.7 residents per acre was based on 29.59 acres. If they reduced what the actual buildable acreage was, then their residence per acre goes up to like 8.5. That 6.7 to him was very misleading. Also, what they had not talked about was other approved City of Hickory and Catawba County

building that was already approved for Mountain View. This was 198, 200 residents on this one spot of 127. It was also noted, correct him if he was wrong, there were 104 units going in on Zion Church Road, 40 units in Wallace View, and 25 in Braxton Gates. And then this is almost 200. There was a lot going on in Mountain View besides just this one development. If they were talking about vehicles and traffic, it was more than this one development. They have to look at what they had already approved and what was already on the books being built and add this to it. Then what does that do to their traffic and safety in Mountain View. Schools. Mountain View Elementary was at 102% capacity. Schools take a long time to fix. He had heard that they could redistrict some of these schools and instead of sending everybody to Mountain View Elementary, they could go to Blackburn Elementary or potentially Startown Elementary. He reiterated they have more than just this development. With what they had approved, including this development in Mountain View they were looking at 1,100 to 1,200 new residents in Mountain View. The population in Mountain View right now is 3,400. They were talking about an increase in the population in Mountain View by a third, with this building project as well as the other building projects that were already approved, as well as all the children that would belong to all these residents.

Deputy City Clerk Crystal Mundy called for 15 minutes.

Mayor Guess asked if he had something else to say that had not been said.

Mr. Stodden advised he did not.

Mayor Guess moved that Council allow for anyone to speak that was on the list to say something that had not already been said. He moved that Council allow the time for those that were in opposition, that were on the list, that had something to say that had not already been said. Alderman Freeman seconded the motion. The motion carried unanimously.

Ms. Sue Smolka, 5892 Deerfield Lane, Hickory, North Carolina believed if this petition violated any kind of rule or ordinance, then they were required to vote no. She would skip through a lot of it. She was sure they were familiar with the Constitution of North Carolina, article one, declaration of rights, section two, sovereignty of the people. All political power was vested in and derived from the people. All governmental rights originate from the people being founded upon their will only and was instituted solely for the good of the whole. Their political power was invested in and derived from the people. They were the people. They were the people that hired Council to represent them. She referred to a map of the Mountain View area. She advised each red dot was a fatality in the Mountain View area with the current residents. The school buses in their area were crashing. There were eight accidents in the latest year that they had data for, three with injuries and they were putting in all these new people to come to their schools. Again, from the North Carolina Constitution, article one, section 15, education, the people have a right to the privilege of education, the duty of the government of the State was to guard and maintain that right. They had already heard about the Mountain View school being over capacity. They had already heard about the buses crashing. They had already heard about the dangers on the highway. This rezoning did not in any way guard their right to education. It was also not guarding their welfare. She talked to the Superintendent, with the Assistant Superintendent of Catawba County schools. Schools were struggling with the growth that was happening on the north side of the County. It was unprecedented, unplanned, unrestricted, and it took all the resources that they could to accommodate those children. The Catawba County schools were understaffed and that was in teachers, assistants, assistant teachers, in the cafeterias, in the janitorial, in all roles across the County, they simply could not hire enough people to man the schools regardless of what the student base was. Now they were going to bring in 200 more houses and the children associated with that. Lastly, Council took an oath of office. "I do solemnly and sincerely swear that I will support the Constitution of the United States that I will be faithful and bear true allegiance to the State of North Carolina and to the constitutional powers and authorities which are or may be established for that government thereof and that I will endeavor to support, maintain, and defend the constitution of said State, not inconsistent with the Constitution of the United States to the best of my ability and knowledge. So help me God". Domestic tranquility was part of the Constitution of the United States, the North Carolina Constitution clearly stated their political power was vested in and derived from the people. The government of the right originates from the people was founded upon their will only. They are the people. They were supposed to protect them. They were supposed to represent them, their interest, their safety, their education. To the people she asked if they were against this rezoning, to please stand. People in the audience stood. She commented that we are the people. We, the people, are making our will abundantly clear. Council

took an oath to protect the constitution, their constitution dictates that they listen to your citizenry. Hear them. They have assembled to clearly let their will be known. Do your job, vote no. She thanked Council.

Mr. Jim Smolka, 5892 Deerfield Lane in Hickory, North Carolina. His wife just spoke, in his opinion very elegantly, of the obligations here. He talked about some of the history of Mountain View. They had probably heard before that there have been other proposals that have been put before this governing body and have rejected high density type use of this property. What makes Mountain View so unique was that it was not high density. They moved to this area so that it would not be a high-density area. Mr. Abernethy, who spoke earlier, developed one of the first subdivisions in the area, Deerfield. There was no complaints about the subdivision. Why? Because it fit into the views and opinions and beliefs of the people in Mountain View. This is what makes it special. It was a low-density area. He developed a subdivision with his family and that was of a low-density type of use. Now years ago, when this was first defeated of this high-density area it was because, well, it was high density, and the people did not want it. The people who were sitting in chairs where Council was now, voted against it. Why? Because the people spoke against it. They did not want a high-density area into Mountain View.

Ms. Lorraine Saporito, 5015 Orchard Park Drive, advised she was not from here originally as they could tell. She spoke at the last meeting on January 24th. She referred to comments that Mr. Abernethy made. She commented you pave paradise and put up a parking lot. She moved here from Scranton, Pennsylvania. It was paved everywhere; it was high density everywhere. It was neighborhoods with stoops. They were turning Mountain View into just a replication for tax revenue. She heard them speak about these, almost like the way they put it, almost like threats of trailer parks to them. Yes, that was a huge possibility, but that would not serve them as well because they would not get the tax revenue for it. What was happening. She reached out and sent letters to all of them and got one response. She sent out letters also to the Catawba County Board of Commissioners. She got a response from Mary Furtado who pretty much said hands off. It does not have to do with us. The small portion of the fourth ward essentially had a voice for all of them. They do not elect them, they do not vote for them, but their County Commissioners were not representing them either. Paradise was being paved, the culture. She was not from here. This was her adoptive culture now, but she came here because it was not like Charlotte, it was not like Scranton, it was not like somewhere else. She felt like all they were seeing were dollar signs. There was a whole culture that was beautiful. Some of them know it very intimately, it was being eradicated. She asked the Board of the Catawba County folks if there had been a meeting with Council? Has there? She did not get an answer. She invited them here tonight, but they told her hands off. Have you guys met with them? They had a small Mountain View area. She sent all of it to Council in an attachment to the email. The whole planning committee that was done in 2002 about Mountain View, where was that being held to standards? There should be some type of transparent communication to represent them as people that also represented what was laid out in that plan. She hoped all of them had read it because it really highlights things really importantly. There was no planning thought when you just build just to create tax revenue just because you can, what are you creating? She did not know but it was not for them. She thanked Council.

Ms. Maria Araya, 3694 Serenity Drive, Hickory, North Carolina. Commented as Council could tell everybody was on the same page. The only few things that she had to say was that Mr. Frazier brought up the developments going around the area for some reason between 28 and 30 acres seems to be the magic number in Hickory. These comparable developments that were around, they were looking at about 104 houses on 30 acres or 28.68 acres. There was a lot of development going on like everybody said. She asked Council members if they could ask themselves what was best for Mountain View and the surrounding communities. If their answer was yes, they need to show it by not allowing anywhere near the proposed 198 houses project on this property, not allowed. If they pass this proposal, they will say that they know what was better for this community than the 500 plus neighbors in this community that have signed a petition in the past week, which she had updated copies. She advised 565 and all the signatures. Unfortunately, some, or a lot of these people had to work and were not able to be here. They have family, they have other commitments. They were aware of that. She commented on ethics responsibility, it had to do a lot with planning and growing for a better future for everyone.

Mr. Robert Carswell, 3971 South NC 127 Highway seconded everything that had been said. His major concern was those two entrances into this new complex of housing. They were in close proximity to the Quality Plus gas station, El Sarape restaurant, the Food Lion grocery store complex, and Mountain View Home and

Garden. He did not know where the Mayor shopped, he did not know if he came out south. He knew the Mayor lived out in that area and he just wondered how he felt about the impact on traffic that this project was going to have. Also, he had estimated that their revenue would probably be in excess of \$300,000 a year on this development. He hoped and prayed that Council would vote against it. He thanked Council.

Mayor Guess advised that was everyone that had signed up to speak in opposition. He advised there was one person who signed up to speak in favor and he had a letter to read from someone that signed up to speak in favor.

PROPOSERS

Mr. Greg Williams advised he was the managing partner of CC & W Development Group. They were located at 2805 Walk Up Avenue, Monroe, North Carolina. Joining him was his Engineer, Frank Craig from Gastonia, as well as one of his partners, Perry Crook, who was also from Monroe. As Mr. Frazier noted, this site was approximately 30 acres, four tracks located along Highway 127. The current owner was GTC Investment Properties from Punta Gorda, Florida. The current zoning of this property was a combination, as had been stated of R-1 and the commercial section in the front. He wanted to clarify as it was currently zoned, there was about seven acres of commercial property on the front of this. He thought there was something mentioned about 1.5 or 1.8, that seven acres would allow up to 30 units per acre in a multifamily designation, by right. That was 210 apartments that could be built there. The remaining 22 acres, say 22.5 acres, they could place 44 single family homes or 45 single family homes, on that extra half acre, it could be 45 duplexes which that wouldn't work, it would have to be 44 because duplexes were two, or they could do the same in manufactured housing. That was by right. You add those together by right, they could place 258 residents on this track of land by the City of Hickory zoning rules. This was a density of 8.74 units per acre, which was greater than what they were proposing. He discussed a little bit of the history of them going through this. When they contracted for this property, their intent was for residential purposes. They also knew that there was a commercial corridor along Highway 127, so they wanted to utilize that to some extent and not have residential boarding on to Highway 127. Hence the two commercial out parcels that they designed to go along that. There had been a lot of discussions about the number of units that they first proposed. That was true. In the planning process with staff, they went to look at several different concepts. The initial concept they came out with, again he was a developer, it was a thankless job, sometimes it was tough to be up here and speak against good people who enjoy their life and enjoy their lifestyle and do not want to see change. But as a developer they bring change. In that process, when they initially designed this, it was about 390 plus or minus apartments, about 120 to 140 townhomes to be located on it. What was called a pre pre-application meeting, and then the original TRC, staff pointed to numerous issues they felt that this plan entailed upon the property. They looked at the traffic situation, the two entrance ways going on to 127 with that type of density. The Fire Marshal had a lot of concerns about safety. The depth that they see in the property where the current townhomes were located, how far they go off the street. That would inhibit their ability to service the area. They went back, did a market analysis, talking to people that they deal with in their business. They saw some resistance to the potential of apartments. They came back in they looked at a different design. They had a second meeting with staff and came back with 320 attached single-family townhomes. That number was still a higher density than what the Fire Marshal felt comfortable with. So again, this was all part of the planning process. It was not a vote, it was not a turn down, it was just a process for them to work with staff to come up with what they thought was the best and highest use for this property.

Mr. Greg Williams advised yesterday he had an impromptu meeting with a couple of the folks that were in the room tonight. A couple of them spoke. He also met at Mr. Randy Starnes' home because he had some concerns about drainage. They wanted to reach out as best they could and talk to the folks and hear their concerns. Again, the biggest concern seemed to be the density and it seemed to be the traffic. In their master plan, when they came back to work with staff, they ended up with the plan that saw today of 118 detached homes and 80 townhomes. They exceeded the requirement for open space. They wanted to protect as best they could a buffer against the only blue line stream on the property, which was in the center, they placed green space around that, with staff's approval, they were not impacting that stream with any street crossings. It was left as natural as possible. They added a dog park space. They were looking at the potential of walking trails around the stream and of course, there would be sidewalks that were required by the City ordinance. All of this would be new construction, for sale to future residents. For the detached housing project, they were projecting four pricing points with different size townhomes that would have one or two car garages. They

projected, and again, this was purely a projection as they do not know where the economy was going to go. They do not know where interest rates were going and where inflation was going to carry them. They were projecting townhomes starting in the \$280,000 range, going up to \$350,000 to \$360,000. The detached homes they thought would start around \$350,000 and go up currently probably as high as a half a million dollars. As they went through this rezoning staff put in their input, they followed their input. They wanted to work within the constraints of the property, and within the density that was allowed under PD zoning. They came in with 6.7 units per acre, which was based upon the 29.55 acres that they have there. If they break that down and take out the commercial out parcels, take out the open space, they were at a true density of about 7.62 units on the existing developable property. On the 1.57 acres of the two commercial out parcels, they could envision a coffee shop, envision a restaurant, some type of small commercial shopping. But again, there was going to be constraints on what they could do there because of the watershed area that they would have to plan around and work with staff through their engineering process to determine what would fit there. In the TRC meeting NCDOT was supportive of the two entrances. They requested at the time that the south be a restricted right in, right out only. And that the north, which was across from the convenience store, be a full-service entrance way. The existing center lane, which gave them access of left turns, going north and the ability of the right turns to the right. But now the NCDOT had come back up and recommended the TIA which they would comply with and then they would see what the recommendations were after the TIA. That could very well change. It could be additional acceleration and deceleration lanes, that could be signalization. They would not know that until the traffic engineer conducts a study. It was scoped out by NCDOT, and they approve that study. Of course, in their development agreement they would be constrained to follow what the TIA study reflected going forward. Fire and safety was satisfied with the two entrance ways. They were satisfied with the total density. They liked the proper street radiuses and widths, the interconnectivity, and the access in and out. They agreed as part of that process that each residence would have a residential sprinkler system to help with the safety in that. His understanding on residential sprinkler systems, it works off a traditional water system and a single-family home with a sprinkler head on the main level to assist in extinguishing sudden fires and give the fire department a little additional time. Traffic was satisfied with the interconnectivity of the two entrance ways, sanitation planning and storm water were addressed and those would be designed subject to approval by town staff, the State and of course Federal government on any regulations which were applied. There were no environmental issues on this property. The storm water and erosion control would have to be permitted and inspected on a regular basis during and after construction. They found there were no evidence of school capacity issues. Yes, they understood the Mountain View Elementary school was at capacity, but there also seemed to be additional capacity throughout the system. They all knew as government; they could not build schools in anticipation of people coming. They build schools when they have people that were physically living there. The utility department, there was a 12-inch water line on Highway 127 that had adequate capacity and adequate pressure to service the neighborhood. There was sewer located at the corner of the property. They would have to build at their expense, a pump station at the lowest section of the property which was behind the townhomes on the lower end. That would have to be designed by their engineer and subject to the City's approval and inspection. In all probability because the existing sewer lines they would have to engineer that to such a way that where there were timers and well capacity that gave it greater than normal capacity so that they were able to store a fluent on site during high peak hours and pump during low peak hours to utilize the existing sewer.

Mr. Greg Williams concluded by making these last few comments. Hickory was a growing City with projected population growth requiring new housing to accommodate the growth as new industry and office spaces announced and developed in their City. Greater commercial, industrial, and office spaces required a larger employment base, promoting population growth in need of housing. Couple this with greater Charlotte regional growth and the current national migration of large amounts of the US population moving from colder higher tax base locations to areas with greater job growth and more conducive business climates, better weather, and lower crime, the need for new housing multiplies. Fox News recently named the Charlotte region and the Charlotte area as being the number one area to move to in the United States. The National Association of Homebuilders statistics showed that 200 new average homes built would create or sustain 580 jobs creating its life over \$22 million in taxes and fees and generate over \$435,000 per month in retail sales of which \$35,000 per month was sales tax to State and local governments. This was over \$5 million per year in commercial sales, which local businesses benefit from and from this more jobs were created to serve these sales. Whether it was a business, a region or city. If they were not growing, they would die. Growth creates jobs, creates income advancement, a

higher standard of living, and a better quality of life when properly managed and built. Karsyn Ridge, which was the name they were proposing for their neighborhood, was a step in the right direction which would enhance the area and add value to the surrounding property, and it was compatible to the existing neighborhood. He asked for their support and their favorable vote for the rezoning to create this neighborhood. He reminded them by right, they could build 8.7 units per acre. But by going to a planned development as Mr. Frazier spoke, this was their most restrictive zoning. It ensured that they would submit a plan that they had to follow. It was the maximum density that they could get into it. They could not make changes without coming back to planning or Council. They could not deviate from that plan. They could not change erosion control; they could not change storm water. It allowed Council to control them. It allowed them to know exactly what was expected of them for their end product. He hoped in their wisdom that they would approve their project and allow them to build this in Hickory. He thanked Council.

Mayor Guess advised he had a letter to read that was in favor. "I am writing to express my support of this petition. As a lifelong resident of this community, a project manager for affordable housing development throughout NC, and a supporter of higher density development, I feel this development is very well planned and in keeping with prior comprehensive community planning and planning staff's proper evaluation recommendations. Traffic count at the closest intersection is 2,669 trips less in 2023 than in 2019 when it was 20,643 trips. Education Systems already account for increased population in their planning. They have even awarded a Facilities Assessment in January. Environmental disruptions is found to be less impacted by higher density developments. This plan actually provides greenspace along an existing creek as opposed to routing it through drainage piping. Community Services also plan for increases in population. I believe the area needs more diversity in housing options and directly by the main road is the perfect placement. The land has been available for sale for a decade. If people want to keep the land open space, they should have bought it and placed it under conservation. Sincerely, Wendy Chester"

A citizen from the audience asked for her address.

Mayor Guess advised there was not an address on the document. Mayor Guess asked if there was anyone else who would like to speak in favor. No one else appeared. Mayor Guess advised there was five minutes allowed for rebuttal.

Notation: After Item XI. New Business, Item B.2. Appointments to Boards and Commission, Mayor Guess made a note for the record, the letter that he read earlier in favor of the rezoning petition during the public hearing, he had since learned that Ms. Wendy Chester lived at 4919 Kennedy Street. That was where she resides. There were some questions about where she lived at the time. He did not have that information and he now has that information. He wanted to reflect that for the record.

REBUTTAL

Ms. Sue Smolka commented on one of the points made which was that this would bring a lot of new jobs to Mountain View. The current businesses cannot staff, the schools cannot staff. While new jobs makes a great argument and sounds great, they do not have the people to fill the jobs that they have. She did not see how this was going to be a great benefit to them.

Ms. Laura Blaylock, 3335 NC 127 South advised on the map they would see all of the townhomes that were in the proposal bordered her land, which was an operational cattle farm. She and her husband raised Wagyu cattle. It had been in her family for over 100 years. She did not oppose a development. She thought her community members spoke very well about how they want to develop responsibly. That was not why she was speaking. She noted that the plans did not recognize her property as a voluntary agriculture district. Part of being part of the voluntary agriculture district was that any proposed developments recognize that the development of these residents that come in, they have to be aware that there was a voluntary agriculture district due to animal smells. She raises cattle. They fertilize. There were agricultural things that went on, on their property neighboring. She wanted to note that. She thanked Council for their time.

Alderman Freeman mentioned the City Attorney was present. He asked the question, as she mentioned that it had to be recognized as her agricultural property. Were they in line with that?

City Attorney Timothy Swanson suggested they finished the public hearing, and they could discuss it.

Mr. Andrew Grant, Courtney Drive in Mountain View had one question. They keep talking about two entrances and about commercial property on each side of the entrance. He asked if that was going to bring additional entrances for the commercial property? He was talking about shops and stores, and a Starbucks, or whatever the coffee thing was. Were all those going to have entrances as well or were they going to have to go into the development to get to this commercial property? Because if they were saying only two and then you build parking lots for a Starbucks, they were adding more entrances. He did not know whether that had been addressed or was that discussed.

Mr. Larry Dickinson, 3539 South NC 127 in Mountain View advised he was born here, a longtime resident. The taxation without representation was always a challenge, like in history. The tax burden or the burden on the community was good, but it should be done in planning ahead of time with that road. He shared a personal communication had not been shared before with the Project Coordinator at the NCDOT for the road widening. This was an email communication last week from Bryan Sowell, NCDOT, "making a good bit of progress with planning and design. We are hoping to have a public meeting next month. As things are tracking, we anticipate wrapping up the environment component this summer and heading the right of way acquisition in the spring of 2025." This was a very important road widening for safety and traffic and all that they had heard before. His question was, as he was generally against the rezoning, if Council was inclined to vote for the rezoning, might it not be better to wait at least until there was another community meeting with a very important traffic plan that was now being designed and planned that would be done in parallel with the development building of this or slightly after this, perhaps. He threw out that suggestion and just brought up that latest information. There was no date. They hoped to plan to meet next month from the project engineer that was leading up the widening.

Mr. Robert Carswell, 3971 South NC 127 Highway commented as far as the widening of the road goes, currently, it was 36 feet wide at that location. There were three lanes. The proposed widening project was going to widen it to over 100 feet. It was going to be two lanes, a divided highway, two lanes in each direction with sidewalks on either side. The overall width was going to be over 100 feet. If that happens, and the dates that he was told was property acquisition starting in 2025, project beginning March 2027. He did not know if it still held, but that was what he was told not too long ago. If that happens, then all the traffic going out of that development would have to go south, reach a turn probably at Bethel Church Road and then come back north. There were going to be turnouts. It was going to be like Highway 16 south of Newton where there would be very few intersections. They would be limited to turning right going north, and left going south. He thought that was going to complicate the traffic pattern even more.

Deputy City Clerk Crystal Mundy called 5 minutes.

Mayor Guess allowed five minutes for surrebuttal.

SURREBUTTAL

Mr. Greg Williams, Monroe, wanted to answer the gentleman's question about the commercial out parcel so they have that cleared, NCDOT was specific in that they cannot have any direct access from the parking lots of the commercial parcels onto Highway 127. They would have to enter and exit from the existing neighborhood streets. There would not be additional traffic coming willy nilly from each of the parking lots, but again, from the entrance way and the right side would be a right in right out only unless that changes through the TIA and DOT modifies what they want them to do. Second thing, on the street with the widening, the gentleman mentioned 36 feet, he was assuming that was from pavement to pavement, the right of way there was greater. He knew in their planning they would have to reserve future right of way for the road expansion for that widening. That would get reserved back for NCDOT later on. And with the California lefts that were proposed, yes, it would be a divided highway that would come back in with signalization that would be south and north of this, so traffic would go past it, make a U-turn through that signalization to go back down Highway 127 in whichever direction they needed to go. It was aggravating. They have a lot of it in their part of the world in Union County. He does not necessarily always love it, but it was sufficient, and it moved traffic probably quicker than it does trying to turn across traffic even with signalization. If there were any other questions that Council had of them too, they were here, as well as his engineer. He thanked Council.

Mayor Guess asked if anyone else wished to speak in surrebuttal. No one appeared. He declared the public hearing closed. He asked for a motion or discussion of Council.

Alderwoman Patton believed that the planned development was the most restrictive that the City could put on a piece of property. She thought it was good planning and smart planning to be a PD so that everyone knows what was going there and they have to follow all the rules that the planning department puts in. They need the housing and there was very little growth area except in the south part of the community.

Alderman Freeman commented to the community of Mountain View, thank you so very much for coming out tonight and certainly sharing how they felt about their community. He mentioned he was in the month where he would be a City official for about a whole year now. He could take the little training wheels off. He was certainly in between a rock and a hard place because he believed that they as City officials, that they should be able to hear the voices of those that were in the community. Also, if they ever got a chance to know him, they would know where he stood, and they would understand that he was not on one side of the fence. Once he made a decision it was made, and that was his conviction. Realizing in what he does in his profession, he had learned that if everybody likes you, then you might not be doing your job the right way. But realizing he was here to state his conviction as it related to rezoning, in particular, this property. First thing was the City of Hickory was certainly in a unique place. Just living here for like 2-3 years, if they just moved in, the City of Hickory would have changed tremendously and there was certainly exponential growth. The question, he guessed it was a rhetorical question, not looking to be answered, but it was a good challenge, growth was a good challenge, but he would rather deal with growth than dealing with decline. The City of Hickory, as any other city, was certainly in competition of population as it related to understanding that the natural birth of those in the City could not sustain the tax base in the workforce. There had to be an increase of population and growth and that was what was taking place in the City of Hickory. He did not ever want anyone to think that coming out to this City Hall meeting where himself already have an idea which way he was going to vote. He liked to listen to both sides. He liked to certainly ponder over it and then certainly let them know where he stood. Also, realizing that times were changing and consumers that were buying houses and homes, they prefer small lots and less maintenance. It was just not the way it used to be back in the day. That was what people were looking for, especially younger generation now. He wanted the residents to know that. He thanked them very much for coming and those who had mentioned that they had reached out to them, any time they reach out to him his desire was certainly to make sure that they hear his voice as well. He thanked them.

Alderwoman Williams commented that she spoke to at least three or four of them over the telephone. She was sympathetic. She thought they were challenged right now as a city, because they do have people moving in. One of the greatest challenges that they hear, they were hearing things, they were not just thinking about growing tax base, they were thinking of accommodating residents and their employers too. Someone said they do not have enough people, people were willing to come, but they do not have housing, especially affordable housing, or a spectrum of different levels of housing. It was a challenge for them. One of the things that she felt strongly about was when they have a group of this many people, who have issues in their neighborhoods and communities about a new development, she was hoping that the developer listens, truly listens. She knew that they had already made some accommodation and compromise, but she was hoping they could come to some agreement or more compromise, because one of the things that she felt they had to accommodate with growth was to balance and to listen to those who were already there.

Mayor Guess advised he lived in Mountain View at 5142 Harris Farm Road. He had been there for 30 plus years. Both of his children went to Mountain View Elementary school, Jacobs Fork Middle School and graduated from Fred T. Foard high school. He volunteers at all three of those schools, plus Banoak and Blackburn and he drives a school bus. He also travels that road extensively each and every day as this property was less than two miles from his residence. He had very many conversations with some of those present in this room. He had listened to everything that they had said. He agreed with some of what they had said. He also saw the other side of it as a resident. His personal opinion was that planned development, as they had heard, was obviously more restrictive and would allow them to have more control over what goes on that piece of property than what they have currently. He was glad to hear, as it was originally rumored that it was going to be 400 low-income rental units. It was not that, it was owner/occupied market rate, single family dwellings. If it had been the other way, he would have voted in opposition. He was glad that each and every one of them came out. He suspected, as had been said, that some of them would leave feeling that their voice was not heard. He hoped that that was not true, because whether they agree with them, or disagree with them, he did not know that it was an agreement or disagreement, but certainly they should not be able to leave saying

that their voice was not heard. He certainly understood their concerns as he was a resident of that area as well. He did not want to keep on and on. Mayor Guess moved, seconded by Alderwoman Patton, to approve Rezoning Petition 24-02. Mayor Guess asked for discussion.

Alderman Freeman asked the City Attorney to address the young lady that came up, as it related to agriculture.

City Attorney Timothy Swanson commented, unfortunately, he was not familiar with the voluntary agriculture district, and he did not see it designated on any of the documents. That might be a better question for the Planning Director, if he had any information on that. The way he saw it, it was something the developer was going to have to deal with regardless of whether it was giving notice to adjacent owners as those properties were sold, if that was in fact correct.

Mayor Guess asked Planning Director Brian Frazier to the podium.

Planning Director Brian Frazier commented that specific question was pretty much out of his realm being the City Planning Director. He suggested the person that would most likely have that answer would be his counterpart, the County Planning Director, Mr. Chris Timberlake or his Assistant Director, Laurie LoCicero. They would definitely know that because they handle that throughout the entire County, they would be able to answer that young lady's question.

Mayor Guess asked if his understanding was correct, that the question was that anyone that would move into those dwellings would have to be advised of the existing agricultural boundaries and what was going on around them before they were sold that property.

Mr. Frazier commented that was his understanding. In his previous life in a previous State that did hold true.

Mayor Guess commented regardless of if it was zoned as it was or zoned as it had been proposed, that would still be in effect regardless.

Mr. Frazier advised that was correct.

Mayor Guess commented that it did not really affect the zoning.

Mr. Frazier replied, no, it did not, and he suggested calling the County Planning Department, they would definitely have that answer.

Mayor Guess asked City Attorney Swanson, that regardless of what the answer to that question the zoning was, it would be a moot point.

City Attorney Timothy Swanson thought that was absolutely right. The only issue was if that was an incorrect interpretation, if that was a voluntary agriculture district, and it required notice to adjoining landowners, then that notice would have to be provided before those lots were sold.

Mayor Guess asked if that applied regardless of the zoning.

City Attorney Timothy Swanson confirmed that was correct.

Mayor Guess thought that answered that question as best as they knew right now. He asked for any other discussion from Council.

Alderwoman Patton wanted the residents to know they had listened. They had a rezoning put to them recently that they denied because it would not benefit the neighbors. It was close to the wastewater treatment. They had to balance what they thought would be a good development. She thought that a PD was the right type of development. They need the homes. As Alderwoman Williams said, they need people moving here. They cannot staff all the jobs. Their employers tell them they need more people, and people want to come here. She heard from several that moved here, and they were happy here. The area had certainly changed in her lifetime, but they do need more people here, and they need a place for them to live. This was an area that they have space for them to grow.

Mayor Guess asked for any additional discussion. Mayor Guess advised there was a motion and second. The motion carried unanimously.

ORDINANCE NO. 24-06

AN ORDINANCE OF THE HICKORY CITY COUNCIL AMENDING THE OFFICIAL HICKORY ZONING ATLAS TO REZONE +/- 29.59 ACRES OF PROPERTY LOCATED ON HIGHWAY 127 SOUTH, BETWEEN MOSS FARM ROAD AND NELLO DRIVE, FROM LOW DENSITY RESIDENTIAL (R-1) TO PLANNED DEVELOPMENT (PD).

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

WHEREAS, the property owner has been petitioned to rezone +/- 29.59 acres of property located Hwy 127 South, between Moss Farm Road and Nello Drive, more particularly described on Exhibit A attached hereto, to allow a Planned Development (PD) district; and

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

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

WHEREAS, the City Council has found Petition 24-02 to be in conformance with the Hickory by Choice 2030 Comprehensive Plan and Zoning Ordinance,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF HICKORY, NORTH CAROLINA, THAT THE REZONING OF PROPERTY DESCRIBED IN EXHIBIT A IS APPROVED.

SECTION 1. Findings of fact.

- The subject property is located on Hwy 127 South, between Moss Farm Road and Nello Drive, and identified as PIN 2791-18-42-3423, 2791-14-20-0860, 2791-14-42-9844, 2791-14-42-9883.
- The rezoning request is intended to further implement the findings and recommendations of the Hickory by Choice 2030 Comprehensive Plan.
- The rezoning of the property is consistent with the Hickory by Choice 2030 Comprehensive Plan.

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

SECTION 3. Statement of Consistency and Reasonableness

Upon considering the matter, the Hickory City Council found:

1. The vicinity in which the subject properties are located is classified as low density residential and commercial corridor by the Hickory by Choice 2030 Comprehensive Plan.

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

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

- Implement the Hickory by Choice 2030 Comprehensive Plan.

The applicant has provided a planned development master plan for the subject properties. The plan was found to be consistent with the comprehensive plan.

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

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

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

The subject properties are located directly off Hwy 127, which is a major thoroughfare in the southern part of Hickory. The portion of the corridor that lies within Hickory is largely urbanized and commercial in nature. Public utilities (water and sewer) are also located along Hwy 127. Any future development that occurs on the properties will be evaluated as to what impacts, if any, will be placed upon nearby public infrastructure. The owner and/or developer of the properties will be required to cover any financial costs needed for any required infrastructure improvements identified through the evaluation process.

- Regulate the type and intensity of development; and

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

- Ensure protection from fire, flood and other dangers.

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

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

The current residential (R-1) zoning assigned to the property allows for primarily residential uses.

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

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

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

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

Hwy 127 is operated and maintained by the NCDOT. Any improvements required by NCDOT will be required to be put in place during the construction, or its phases(s).

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

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

Based upon these findings, the Hickory City Council has found Rezoning Petition 24-02 to be reasonable, and consistent with the findings and recommendations of the Hickory by Choice 2030 Comprehensive Plan.

SECTION 4. This Ordinance shall become effective upon adoption.

B. Departmental Reports:

1. Quarterly Financial Report – Presented by Deputy City Manager Rodney Miller

City Manager Warren Wood asked Deputy City Manager Rodney Miller to the podium to present Council with the quarterly report for the fiscal year. He would report on half the years' worth of financial activities for the first two quarters.

Deputy City Manager Rodney Miller gave a PowerPoint presentation. He commented as City Manager Warren Wood mentioned this was the first quarterly report. He was a little late on that he apologized. He was going to update Council on the first half of the fiscal year, first two quarters. As Council may recall, last month they approved the annual financial report for last fiscal year. They had been delayed for a number of months, they covered then. That was why this had been delayed.

Deputy City Manager Rodney Miller referred to the PowerPoint and pointed out the City's general fund. He pointed out the date was December 31st for the first six months of activity. He referred to the middle column, annual budget. The City had about an \$83.5 million annual budget in the general fund. He mentioned for those that were new, the general fund was the City's main operating fund. That was where most of the activity occurred throughout the City. Obviously, the illustrious planning department that they just heard from was included in that general fund. Of the \$83.5 million budget the City received \$44.7 million in revenue and spent \$45.2 million. He advised to not be alarmed by that. That was not atypical. He mentioned that was a \$500,000 deficit. Keep in mind, this was one date. December 31st was on a Sunday, January 2nd was on a Tuesday, and property taxes were due by January 6th. One reason why there was a deficit was the property tax revenue was still being paid well into January. But when they cut that off at December 31st, sometimes they do have some expenditures higher than the revenues at this particular time. He also mentioned on the expenditure side, they had paid over 3/4 of the debt for the fiscal year in the first half of the year. That makes a difference as well as they purchased quite a bit of the capital improvement, or at least made the order. They may not have received it, but they had placed the orders which encumbered the funds.

Alderwoman Patton asked if he knew at this time how much of the tax had been paid.

Deputy City Manager Rodney Miller advised they do, in fact he had updates through January. He advised them they were on pace of where they had gotten before. He could update Council through January tomorrow if they would like to see. Their property tax revenues had come in quite nicely. Mr. Miller advised the largest revenue, as he mentioned, was the property tax revenue. He advised \$28.8 million had been collected through December 31st. Again, a timing issue. The good thing about this chart was that they were increasing. They had one small dip in 2023, not as a result of any economic activity, again, it was based on people's decision to pay and when. About \$28.9 million in revenue of the property tax. They had a budget of revenues for property in the amount of \$37.1 million. They were roughly 80% of what they had collected through December. They were over 90% through January.

Deputy City Manager Rodney Miller discussed sales tax revenues. This was really the economic climate, Hickory as the hub of the metro region. They receive a lot of sales tax activity from commercial activity that was discussed earlier tonight, as well as retail purchases, restaurants, just general commerce. Sales tax was a large portion of their revenues. He noted that it was also increasing. He pointed out between 2021 and 2023 they would notice almost a million dollar change between those two years, which was healthy revenue increases. He pointed out where they were in this year, less than \$100,000 higher than last year. That was growing, but the pace of growing had certainly diminished. This was through November; they did not have December tax revenues yet. He heard across the State that those revenues were higher than November. Hopefully this will increase. What happened in 2022 and 2023 was the internet sales. Amazon, any kind of folks that do not have any presence here, North Carolina actually changed the law so that those internet sales now were getting taxed, and they were receiving those. They had pretty much received all of that over the last two-year period. Those sales were kind of baked into the cake, so to speak. Now they were looking for additional sales tax revenue going forward.

Deputy City Manager Rodney Miller discussed the water and sewer fund. This was a fully self-supporting fund from user fees for the water and sewer system. Their annual budget was about \$44.7 million. They received revenues of almost \$20 million through December. Expenditures were \$21.8 million. He noted last year at this time, they were almost \$3 million expenditures over revenues. Again, there was a reason for that. Number one, the typical revenue streams were going

to be in the spring and summer months that were upcoming this fiscal year. As well as on the expenditure side, they made the bulk of their capital purchases for the first half of the year and made their debt payments. Obviously, if those debt payments were at a higher percentage than 50%, they were going to have more expenditures than revenues.

Deputy City Manager Rodney Miller discussed the building permit activity. He was not sure he wanted to talk too much about this slide based on their prior conversation. He pointed out on the residential side, it was hard to avoid, their residential activity had considerably picked up from before. Keep in mind that he and City Manager Warren Wood actually grew up in Hickory, and they remembered the days in the 90s and early 2000s when they would grow by 10 homes a year. To have 262 residential permits, again through November, they only have five months of activity. The County was going through a software change, and they were not able to receive updated building permit activities. Those building permits were approved by Catawba County Building Inspections. They would have that report hopefully soon for December. He reiterated this was just five months' worth. He pointed out they had 262 residential permits already in the system through November. They have 112 commercial permits, those have declined. They had total permits of 384 through November, a 3% increase over last year. Three percent was not gangbusters, but it was growing, which was certainly good. On the value he pointed out the residential value had increased significantly. He mentioned that more homes were on the market and being built, they were at \$30 million through November. Commercial was only \$83 million, but he cautioned them, last year's was unusually large at this time, they had two big projects, MDI's permit was in July or August of last year. That was the part of the \$123 million figure, and the bio-solid facility that Mr. Shawn Pennell was managing, that permit was also in that first five months of last year. He said \$83 million in commercial growth through five months was very, very good. He commented do not let that fool you, but overall, \$114 million in value through November. He expected they would hit well over \$200 million again. The last two fiscal years, they had \$250 million in new value the last two years. Compared to a typical really good year of \$100 million dollars in permit value they were still doing really well. He referred to the PowerPoint slide and noted quite a number of residential projects. He pointed out Wallace Dairy, of 38 single family dwelling units, was the only one currently under construction of a significant, more than five or 10 units, in the Mountain View area. He thought the last time they looked, there were only six houses that had been built in that particular subdivision. The other development activities in residential really were spread throughout the city limits of Hickory, in all four quadrants. There was not one that really had more than the other, which was a good thing. It tells them that they grew in multiple places. On the residential side, that certainly reflects the growth that they were seeing. He noted Towne Place Suites and Home 2 Suites, they had now begun the grading of two new hotels in the city limits of Hickory, both about 100 rooms. They were excited about that. MDI expansion continued to go on, they started that last year, that expansion was going. He knew they were all familiar with the Hickory Metro Convention Center, 45,000 square feet of new space. He gave a shout out to Mandy Pitts Hildebran who was present. That project was going really well. The Hickory Aviation Museum and CCVC Workforce Innovation Center that they were all a part of and had been at the groundbreaking, that was going to be a transformative project for the community, and they were very excited about that. He mentioned future projects, he only had four, the RH Barringer project which was going to start over near the Chamber office building, Southgate Park, or Parkway. The Microsoft project, they were working on providing utilities down to that area, but they were still a number of months and possibly a year or two away before that construction begins.

Deputy City Manager Rodney Miller discussed the City's economic climate. The Federal Reserve, on a national perspective, had maintained the fed funds rate. They may see them meet once a month, once or twice, once a month or once every other month. They maintained that target rate of 5.25% to 5.5% since July of last year. They had expected to see some declines in those rates. The US economy they could not understand it. The greatest job support they had seen the highest in 12 months since January of last year. It should not be growing like that, but it still was. The CPI, they all knew what inflation had done to their pocketbooks. And of course when they were buying City goods and services. He noted 7.2% in 2021. The CPI was 6.4% in 2022 and it declined to 3.3% last year. The Fed's target was 2%. He was not sure they would get to 2%, but he thought once they get in the twos, he thought they would start pulling back the interest rate. The projection now was probably either at their March meeting, which he did not think was going to happen, or at their May meeting, they should start seeing those interest rates decline.

Alderman Seaver asked if he ever adjusted these numbers according with inflation. Was there a way to.

Deputy City Manager Rodney Miller commented that when they go into next year's budget for example, they were having discussions with the departments now across the City, for example, one of the increases was energy increases. They had heard that Duke Energy was proposing a 6% to 8% increase. They had talked to departments. They were a heavy power user across the City.

Alderman Seaver commented that they had to have it in the budget.

Deputy City Manager Rodney Miller advised they do. He thought it was last year when he showed them about chemicals, a 200% increase at the water plant. Those things significantly affect the City.

Alderman Seaver commented he was thinking about maybe when they were comparing the years.

Deputy City Manager Rodney Miller advised them they maintain a little buffer.

City Manager Warren Wood interjected that Alderman Seaver was saying like in 1980 adjusted for inflation.

Deputy City Manager Rodney Miller advised he had not done that, but he could tell them it was probably very, very significant of what they had seen in the last three years. You add those numbers together, so just because they were down to 3.3% last year, that did not mean they were declining. That meant they had a 16% increase over the last two years. That was very significant. He commented he was a little kid then, a little lad, but that was probably the late 70s and early 80s, the last time they had seen an inflation increase like that on a percentage basis. He advised core CPI they saw about 3.9% in December. That was the lowest since May of 2021. They were still facing, and he thought they were seeing that in Hickory to some extent, was shelter or rent inflation was still high. It was still 6.2%. That was still very significant for folks trying to find a place to live that were having to pay rent. However, one good news was US wages did increase 6.8% over the last year. Wages had not kept up with inflation, but it certainly helped absorb some of the blood.

Alderman Seaver asked what the inflation rate was for food.

Deputy City Manager Rodney Miller commented that food was about 4% if he remembered correctly. The core was 3.9, 3.3% overall, so food was probably in that 4% range.

Alderman Seaver mentioned that he had just heard a higher number today.

Deputy City Manager Rodney Miller advised it had come down considerably as well. On the local side, what this meant for them was they still have a tight labor market as some of them pointed out in the last discussion. It makes recruitment and retention in the City very difficult and that has still been a problem for them. They were trying to get into the high schools. He thought the last time he met with Council to get to folks early, let them know that a career in city government was certainly worthwhile. They continued to do that. They had a fire academy, and they have folks trying to find police officers. They have a number of efforts ongoing to try to get folks to work at the City of Hickory.

Deputy City Manager Rodney Miller mentioned the cost and the availability of vehicles and equipment. Those costs had not come down and the supply was not there. He thought Fire Chief Hutchinson told him if they ordered a fire truck today it was going to take two years to get here. That was very, very significant. They were certainly looking at those items now to see, because they were going to need a fire truck within two years. They need to go ahead and get one ordered.

Mayor Guess asked about fuel cost.

Deputy City Manager Rodney Miller advised that fuel actually had done pretty good. He thought they were now back at \$3 a gallon roughly, but it got down about \$2.85 - \$2.90 that had subsided. He thought with the government's military exercises that was going to have a short-term spike until that was over. He thought that he would then stabilize again. Obviously, cyclical, by the time you get to May, June, and July gas prices would go up. He did not expect, unless they had a significant war event on top of what they already have, he did not see them going back to \$4 a gallon.

Deputy City Manager Rodney Miller discussed the investment report. As the Lord giveth he taketh away. On the interest rate side, it certainly hurts mortgage rates, and it certainly affects inflation to a certain degree. But on the investment side, it did have its benefits. They were now almost 3.2% that they were earning on all of the City's investments. They earned \$1.9 million in interest income for the first six months of the year. He had not said that in a long time. He referred to the PowerPoint and displayed a description of all of their investments that the finance department kept up with. It was spread out. Diversification was key. These were all legal investments, and they were restricted by the local government's State Treasurer's office in what the City could invest. He mentioned that they do not have those funds just sitting under a mattress or in a money market. They have money market funds, but they also invest those longer term to achieve a desirable yield.

Alderman Seaver asked if the types displayed were all they could choose from or if that was what they do.

Deputy City Manager Rodney Miller advised that was what they currently have. What they saw last year, they had some commercial paper in CDs. They were not that attractive right now compared to what they could get from those government agencies. Federal Home Loan Bank (FHLB), for example, they had almost 20% of their portfolio in that. They were offering the best yields at this point. They do have quite a bit still in cash, \$20 million in the North Carolina Capital Management Trust and another \$20 million in money market. He advised they need to keep in mind that was primarily the December property tax collections that they had received. When you were receiving \$10 million in property tax revenue, you could not just spend that right away, it would take a while to filter out of the system. Those numbers would decline by their next quarter's report. He asked for questions.

Mayor Guess asked if they had any questions for Mr. Miller.

Alderman Zagaroli asked where the 20% of the City's money was.

Deputy City Manager Rodney Miller advised Federal Home Loan Bank; it was a US government agency.

Alderman Zagaroli asked what the percentage was they get on that.

Deputy City Manager Rodney Miller commented for example, they have a Federal Home Loan Bank that matured in August 26, 2024 and it was earning 2.15%. It was a blended rate. They probably had 60 different securities, and it was diversified into those types and into those maturities, so that they can come due so that could pay operating costs once they come in. They ladder those out so that when they become due, they can pay the bills.

Alderman Seaver commented that they could not invest in anything that has a chance of losing value.

Deputy City Manager Rodney Miller commented he would not go that far. The general statute restricts what they could invest in.

City Manager Warren Wood gave a brief history, it went back to the 30s, there were a lot of local governments that went bankrupt and one of the reasons was their investments. The Local Government Commission was created after that to prevent that, and they really restricted what they were allowed to invest in.

Deputy City Manager Rodney Miller advised the State of North Carolina could invest in stocks but cities and counties cannot.

2. Appointments to Boards and Commissions

COMMUNITY APPEARANCE COMMISSION

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

COMMUNITY RELATIONS COUNCIL

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
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 (Council Appoints) VACANT
Building Trade Profession (Council Appoints) VACANT

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

Alderman Seaver nominated Pamela Kiefer as Ward 3 Representative on the Library Advisory Board.

PUBLIC HOUSING AUTHORITY
(Terms Expiring 6-30; 5-Year Terms) (Appointed by Mayor)
Position 5 (Mayor Appoints) Kenneth Geathers Resigned 1-25-2024 VACANT

Mayor Guess nominated Sherry Griffin as a Representative on the Public Housing Authority.

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

Mayor Guess moved, seconded by Alderwoman Patton approval of the above nomination(s). The motion carried unanimously.

Mayor Guess made a note for the record, the letter that he read earlier in favor of the rezoning petition during the public hearing, he had since learned that Ms. Wendy Chester lived at 4919 Kennedy Street. That was where she resides. There were some questions about where she lived at the time. He did not have that information and he now has that information. He wanted to reflect that for the record.

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

Alderwoman Patton was told this evening that it was Mr. Kevin Griffins' last Council meeting. He was moving to Greensboro.

Mayor Guess shared that as well. He thought he was correct that Mr. Griffin had been with the Record, almost eight years now. He took a job with the Greensboro News and Record and as Alderwoman Patton had already alluded to, they certainly wanted to recognize him and thank him. He had spent a lot of time, with most of the staff and with all of Council. Mayor Guess commented, believe it or not, he and Mr. Griffin had a lot of conversations. He had always been very professional, and very cordial. He appreciated that he had done that. He wished him, as well as the rest of the Council and staff did, the very best in his endeavors as he moved to Greensboro. He told Mayor Guess that he had two official days left and this would probably be his last Council meeting unless they called a special meeting, and he did not anticipate that. He gave Council's farewell to Mr. Griffin and thanked him for his service. He thanked him sincerely for all that he had done to help support the community and to get the word out to those in the media.

Mayor Guess mentioned that Mr. Leroy Lail had passed earlier this morning. Of course, they wanted to give their condolences to his wife and family. Brad Lail served on City Council for many, many years. It was just a very sad time. Leroy invested almost his entire life to making Catawba County and our region a better place to work, and to live, and raise a family. His contributions were many, the furniture, the motels, of course, the Convention Center. He was very instrumental in ASU locating here in Hickory. He was, in the Mayor's opinion, a great example for them all to follow and he would be greatly missed. Their condolences once again to his family and those that knew him very well.

City Manager Warren Wood advised on Thursday at the annual North Carolina City County Managers Association meeting, Deputy City Manager Rodney Miller was announced the North Carolina City County Managers Association, Assistant Manager of the Year. A round of applause was given. Assistant City Manager Yaidee Fox did the write-up. He did not know. They knew they

were keeping it a secret from him. They did a good job keeping a secret. When she submitted it or said she was going to he said he did not why she was wasting her time he was not going to win. He was joking. Fortunately, PowerPoint formatting was not part of the assessment for the awards. He congratulated Mr. Miller. There were nine others, this was city and county assistant managers that he was competing with, and there was a board with a group that scored them out and he scored the highest amongst all of them.

Mayor Guess commented to Mr. Miller that there was never any doubt in his mind. He knew he was going to get it.

Mayor Guess and Council members congratulated Mr. Miller.

XIV. There being no further business, the meeting adjourned at 8:29 p.m.

Mayor

City Clerk