

## MINUTES

Regular Meeting  
City Hall Council Chamber

February 15, 2016  
Monday, 6:00 p.m.

**Present:** Mayor O. Stanhope Anthony III, presiding; Council Members David W. White, David Causby, Dennis C. Bailey, Ben Kittrell, Dicky Amaya; City Manager Rick Howell, City Clerk Bernadette A. Parduski, NCCMC, MMC, City Attorney Robert W. (Bob) Yelton, Director of Finance Justin S. Merritt, MPA, Director of Human Resources Deborah C. (Deb) Jolly, Director of Energy Services Julie R. McMurry, Director of Water Resources David W. Hux, Police Chief Jeffrey H. (Jeff) Ledford, Fire Chief William P. Hunt, MPA, EFO, Director of Public Works Daniel C. Darst, Jr., and Director of Planning and Development Services Walter (Walt) Scharer, AICP; and Reporter Casey White of The Shelby Star and Director of Cable Programming Greg Tillman of Cleveland Community College

**Absent:** Council Member Eric B. Hendrick

Mayor Anthony called the meeting to order at 6:01 p.m., welcomed all who were in attendance, and recognized former Mayor Mike Philbeck in attendance. The Mayor gave the invocation and Mr. Bailey led the *Pledge of Allegiance*.

**A. Approval of agenda:**

- 1) Motion to adopt the proposed agenda

Mayor Anthony announced the cancellation of an agenda item as follows:

The removal of Item B-1 under Special Presentations due to inclement weather conditions.

**ACTION TAKEN:** Upon a motion made by Mr. White, City Council voted unanimously to approve the agenda as amended.

**B. Special Presentations:**

- 1) REMOVED AND RESCHEDULED FOR MARCH 7, 2016

Recognition of Coach Lance Ware and the 2015 Shelby High School Golden Lions Football Team: Resolution No. 78-2015

**2) Electronic Press Kit (EPK) marketing video – Gail McKillop, Destination Cleveland County (DCC) Board Member and Project Committee Chair**

Miss McKillop introduced the concept of an electronic press kit (EPK) as a pre-packaged set of promotional materials distributed to various outlets for promotional use. She stated the goal of Destination Cleveland County is to bring economic vitality to the City of Shelby, Cleveland County, and this region. The purpose of this EPK is to further enhance DCC's goal by highlighting the Don Gibson Theatre, the Earl Scruggs Center, and Uptown Shelby. Miss McKillop added the EPK will be posted to various social media outlets and will be widely distributed to a target audience via USB flash drives in the shape of banjos and guitars.

On behalf of DCC, she expressed appreciation for the City's role in supporting their efforts for the past 10 years.

Next, Miss McKillop previewed the new marketing video narrated by Community Advocate Sally Royster, Uptown Shelby Association Executive Director Audrey Whetten, Earl Scruggs Center Executive Director Emily Epley, Lewis McCallister of Newgrass Brewing Company, Melanie Graham of Morgan and Wells Bed and Breakfast, and Don Gibson Theatre Executive Director Stan Lowery.

She concluded her presentation by stating DCC anticipates rolling out this EPK to the public in early March.

Mayor Anthony acknowledged DCC members in attendance and commended the great work accomplished by this group.

Council received the information. No action was required.

**3) Cleveland County Economic Development Partnership (CCEDP) Existing Industry Program 2016 – Matt Blackwell, Director of Business Services, CCEDP**

Mr. Blackwell introduced himself as the new Director of Business Services at the Cleveland County Economic Development Partnership since October 2015. As background information, he spent several years in the field of public works before entering a career in economic development as Project Coordinator with the Gaston County Economic Development Commission in 2006. Over several years, Mr. Blackwell gained increasing responsibility over the development and implementation of the Capital Improvements Program, specifically the acquisition and development of business parks, and assisted in successfully recruiting a variety of advanced manufacturing

jobs to Gaston County. Before joining the CCEDP team, Mr. Blackwell served as Executive Director of Rutherford County Economic Development from July 2012 through October 2015.

Next, Mr. Blackwell stated as Director of Business Services, he will act as a liaison and point of contact for existing industries in Cleveland County who need assistance. CCEDP Executive Director Kristin Reese and Mr. Blackwell have developed a strategic plan to promote and strengthen existing industry support. Mr. Blackwell's focus and goals are to work proactively with existing businesses to identify challenges and opportunities for growth and expansion through the Existing Industry Retention Program, regular site visits and communication through the Visitation Program, the Industrial Roundtable, a Business Development Strategy, assisting with site development activities including the due diligence process, promoting work force development initiatives, managing of the Financial Incentive Program, and facilitating key events through the North Carolina Department of Labor Safety Award Program, etc.

Mr. Blackwell concluded by stating he is looking forward to the opportunities to work with existing industries and with the City of Shelby as a CCEDP partner in the future.

Council received the information. No action was required.

4) Certified Entrepreneurial Community (CEC) Program update – Stephen H. Padgett, Director, Small Business Center, Cleveland Community College

Mr. Padgett provided an update regarding the CEC Program which is an aggressive economic development program aimed at advancing entrepreneurial ecosystems on a local level. He stated the CEC development process began in Cleveland County in April 2015 and acknowledged the members of the CEC Core Leadership Team. Through a series of entrepreneur networking events held in Shelby, Kings Mountain, Boiling Springs, Lawndale, and Polkville, the CEC Program provided these occasions to address gaps in the small business support network and showcase the community as an area of opportunity for entrepreneurs and small business owners.

Mr. Padgett detailed how the CEC program works directly with rural communities to help leaders successfully navigate the arena of entrepreneurial and small business culture and support. The program guides the community through the complex process of engaging regional resources, crafting an authentic strategy for advancing the local entrepreneurial environment, and launching effective initiatives to address

gaps in the business support network.

Mr. Padgett further stated the CEC designation will be awarded to Cleveland County upon completion of the intensive strategic planning and implementation program with the goal of fostering a local culture and network of entrepreneurial opportunity. This can boost the local economy and potential for growth by attracting opportunists willing to take on the challenges of creating new businesses that will provide jobs to the region's private sector workforce. Mr. Padgett said since 2007, there have been 10 communities certified as CEC.

Mr. Padgett concluded by citing an example of a local model entrepreneur, Phil Champion, who formed Champion Studios and who currently employs 46 employees.

Council received the information. No action was required.

C. Public Comment: None

D. Public Hearings:

- 1) Consideration of the City of Shelby's Community Development Block Grant (CDBG) 2011 NC Catalyst Project administered by the North Carolina Department of Commerce through Community Investment and Assistance (CI) for close-out purposes

Mr. Scharer explained the purpose of the public hearing was to accept citizens' comments concerning the 2011 Catalyst Project prior to closing out Grant No. 11-C-2381. He reminded Council back in 2012 the City obtained a CDBG Catalyst Grant from the Department of Community Assistance to rehabilitate housing, acquire property for future housing, improve pedestrian facilities, educate citizens for future home ownership, and improve public facilities. There was no specific target area within the City for these activities.

Mr. Scharer described a variety of results which included a complete rehabilitation of one single-family dwelling, emergency repairs to 14 single-family dwellings, acquiring two lots for future Habitat for Humanity single-family dwellings, providing assistance to the completion of the Cleveland County Rescue Mission facility on Buffalo Street, educating more than 50 citizens on home ownership skills, completing a sidewalk connection to the Shelby Middle School, demolishing 21 single-family dwellings, and repairing six through minimum housing enforcement. Mr. Scharer added the City utilized \$500,000 of CDBG funds and \$150,000 of local funds to carry out this

comprehensive grant project.

Mayor Anthony opened the public hearing at 6:24 p.m. and invited comments from the public.

The public offered no comments and Mayor Anthony closed the public hearing at 6:25 p.m.

Council received the information. No action was required.

2) Consideration of a resolution granting a Special Use Permit for elementary/secondary school at 2401 Joe's Lake Road: Resolution No. 4-2016

After taking his oath and utilizing location and zoning maps of the area, Mr. Scharer pointed to the subject property at 2401 Joe's Lake Road, noting the existing Pinnacle Classical Academy on South Post Road. The former Hallelujah Acres subdivision is located to the west and adjacent to the site. The subject property is currently vacant. Land uses in the surrounding area are primarily agricultural and residential uses. The applicant is proposing the construction of a new school campus.

Mr. Scharer stated the property is currently zoned Residential-Office-Conditional Use (RO-CU). Shelby Comprehensive Land Use Plan currently has this area depicted as a Medium Density Residential Area. The applicant has not requested a zoning change. He further stated the proposed Special Use Permit for an elementary or secondary school is consistent with the Land Use Plan.

Referring to the site plan attached to the application, Mr. Scharer informed Council the applicant has decided to offer changes and to request a postponement of the hearing to a subsequent date.

Mr. Scharer recommended Council conduct the public hearing.

Mayor Anthony opened the public hearing at 6:31 p.m. No testimony or evidence was presented.

Mayor Anthony closed the public hearing at 6:32 p.m.

Council took no action, however, granted the applicant's request for an extension.

**3) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina and granting a Special Use Permit for multi-family development at 1016 Sue Lane: Ordinance No. 5-2016**

After taking his oath and utilizing location and zoning maps of the area, Mr. Scharer pointed to the subject property at 1016 Sue Lane, which is currently vacant. The applicant is proposing a 56-unit multi-family development. He stated the proposed zoning map amendment from General Business (GB) and Residential 20 (R20) zoning district to General Business (GB) zoning district and associated Special Use Permit are consistent with the Shelby Comprehensive Land Use Plan. Referring to the applicant's site plan, the proposed development, Alexandria Place, has access from Sue Lane and Gantt Street.

Upon questioning, Mr. Scharer responded Council previously approved this same application twice since the applicant has not secured the funding necessary to proceed with the project.

Mayor Anthony opened the public hearing at 6:24 p.m. and sworn testimony was given as follows:

Tom Ulrich who resides at 272 Craig Manor Road in Lancaster, South Carolina spoke in support of his application for a Special Use Permit. Mr. Ulrich is employed by Pendergraph Company, the developer of Alexandria Place. He confirmed the developer is again attempting to secure tax credit financing for the project, which involves a very competitive process in North Carolina. Mr. Ulrich stated the Pendergraph Company has existing complexes, Lanier Pointe I and Lanier Pointe II, in Shelby.

Mike Philbeck who resides at 1805 Arbor Way in Shelby, North Carolina spoke in support of the Special Use Permit application. Mr. Philbeck was the real estate broker for both existing projects, Lanier Point I and Lanier Point II. He explained the North Carolina Housing Finance Agency did not approve the proposed site during previously application cycles and is currently accepting 2016 applications to be awarded in August.

Mr. Philbeck stated the following:

- The requested permit is within the City's jurisdiction.
- The application is complete.
- The development will comply with all the requirements of the ordinance.
- The development will not materially endanger the public health or safety.

At this point, Shelby Police Chief Jeff Ledford was sworn and testified the two existing complexes, Lanier Pointe I and Lanier Pointe II, are not a high call area for the Shelby Police Department.

Next, Council qualified Mr. Philbeck as an expert witness based on his extensive background and experience in both residential and commercial real estate in Cleveland County since 1985. He has owned and operated the Coldwell Banker franchise in Shelby since 2005.

- The development will not substantially injure the value of adjoining or abutting property. Mr. Philbeck added there is not enough research either positive or negative in the area on property values. It has been his observation that a well-appointed apartment complex in a General Business zoning will not harm any property values.
- The development will be in harmony with the area in which it is to be located.
- The development will be in general conformity with the Comprehensive Land Use Plan.

With regard to the issue of increased traffic, Mr. Philbeck responded the proposed development provides good egress and ingress with access to a service road and the US 74 Bypass.

Christine Keaton who resides at 909 Earl Road in Shelby, North Carolina, spoke against the Special Use Permit application. Miss Keaton stated the existing apartments have increased traffic and created traffic jams in the mornings and afternoons, specifically on Earl Road. She also expressed her concerns about the increased amount of pedestrian traffic, cutting a pathway across her yard. Miss Keaton complained about water damage and drainage issues caused by the existing developments on Gantt Street, which she has reported to the City and have not been resolved to date. Mayor Anthony referred the water drainage issues to staff.

As a former real estate agent, Miss Keaton reiterated her main concerns were about the property values and the harmony of the area if the proposed development is built.

Upon questioning, Mr. Ulrich responded the stormwater issues for these developments are regulated by the North Carolina Department of Environmental Quality. He stated the proposed 56-multi-family development for the elderly allows for one car per unit. Mr. Ulrich added sidewalks were included in the development of Lanier Point I and Lanier Point II and will continue on as the properties develop.

Upon questioning, Chief Ledford stated traffic has increased with the addition of Lanier Point I and Lanier Point II; however, it is not a high crash area.

It was noted Earl Road is maintained by the North Carolina Department of Transportation.

Mayor Anthony closed the public hearing at 7:02 p.m.

**ACTION TAKEN:** Upon a motion made by Mr. Amaya, City Council voted unanimously to approve and adopt Ordinance No. 5-2016 entitled, “A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA AND GRANTING A SPECIAL USE PERMIT FOR MULTI-FAMILY DEVELOPMENT AT 1016 SUE LANE”.

- 4) Consideration of a proposed ordinance to amend the Unified Development Ordinance (UDO) of the City of Shelby: Ordinance No. 6-2016

Mr. Scharer stated the applicant proposing a zoning text amendment to the UDO has formally withdrawn the request. The applicant is in the process of preparing a new, alternative proposal. He further stated when the revised zoning text amendment is received, it will also be reviewed by the Planning and Zoning Board and a subsequent public hearing scheduled.

Mr. Scharer recommended Council conduct the public hearing but take no action on the proposed ordinance.

Mayor Anthony opened the public hearing at 7:04 p.m. and invited comments from the public.

The public offered no comments and Mayor Anthony closed the public hearing at 7:05 p.m.

Council took no action.

#### **E. Consent Agenda:**

**ACTION TAKEN:** Mayor Anthony presented the consent agenda. Mr. White made a motion to approve the consent agenda and each item as presented. The consent agenda and following items were unanimously approved:

- 1) Approval of the Minutes of the Regular Meeting of February 1, 2016



- 2) Approval of Special Event Permit Application:
  - a. 7<sup>th</sup> Inning Stretch Festival, 5K, and Little Miss American Legion World Series, requested date: August 6, 2016
- 3) Adoption of an ordinance authorizing demolition of a dwelling: Ordinance No. 7-2016
- 4) Adoption of Fiscal Year (FY) 2015-2016 Budget Ordinance Amendment No. 14: Ordinance No. 8-2016
- 5) Adoption of Fiscal Year (FY) 2015-2016 Budget Ordinance Amendment No. 15: Ordinance No. 9-2016

#### END CONSENT AGENDA

#### F. Unfinished Business:

- 1) Consideration of appointments to City advisory boards and commissions:
  - a. Shelby Cleveland County Regional Airport Advisory Board

Mrs. Parduski reported the terms of incumbents, Jim Robinson, Dr. Stephen Jones, and Dennis Sessom, conclude February 2016. All three incumbents wish to continue their service. There are no applications on file in the Clerk's Office.

Mr. White nominated Jim Robinson, Dr. Stephen Jones, and Dennis Sessom for reappointment.

**ACTION TAKEN:** Upon a motion made by Mr. Amaya, City Council voted unanimously to close the nominations and accept the nominees by acclamation.

- 2) Consideration of an ordinance amending the Code of Ordinances, City of Shelby, North Carolina, by repealing Section 30-72, an ordinance regulating concealed handguns on City property: Ordinance No. 10-2016

Mayor Anthony reminded Council of its previous approval on February 1, 2016 to remove the referenced ordinance prohibiting concealed handguns on City-owned property. The Mayor noted the applicable North Carolina General Statute and Article 54B.

Mr. Yelton then introduced Ordinance No. 10-2016 for Council's consideration. He explained in order to repeal an ordinance, Council must adopt an ordinance to do so.

**ACTION TAKEN:** Upon a motion made by Mr. Bailey, City Council voted unanimously to approve and adopt Ordinance No. 10-2016 entitled, "AN ORDINANCE AMENDING THE CODE OF ORDINANCES, CITY OF SHELBY, NORTH CAROLINA, BY REPEALING SECTION 30-72, AN ORDINANCE REGULATING CONCEALED HANDGUNS ON CITY PROPERTY".

#### G. New Business:

- 1) Consideration of a resolution approving the use of State of North Carolina appropriated funding for Uptown revitalization: Resolution No. 5-2016

Mr. Howell introduced Resolution No. 5-2016 for Council's consideration. As Council was made aware, the City received an unexpected appropriation in the enacted State budget this fiscal year in the amount of \$96,107 to be used specifically for "downtown revitalization efforts". There was no other guidance or restrictions communicated to the City. However, the City has now been requested by the North Carolina Office of State Budget and Management to provide a scope of work, describing how these funds will be utilized. Mr. Howell solicited feedback from City staff as well as the Uptown Shelby Association organization as to the best uses of these funds given the short timeframe of June 30, 2016 in which to spend the allocation. There was a consensus for using these funds toward improving existing City parking facilities specifically the Graham Street lot and the Morgan Street lot, providing enhanced lighting for public safety, and additional directional signage to public parking.

Upon questioning, Mr. Howell responded the approved work will include resurfacing and lighting improvements to the extent funding will allow. If supplemental funding by the City is available, there is a possibility for aesthetic improvements as well.

**ACTION TAKEN:** Upon a motion made by Mr. Bailey, City Council voted unanimously to approve and adopt Resolution No. 5-2016 entitled, "A RESOLUTION APPROVING THE USE OF STATE OF NORTH CAROLINA APPROPRIATED FUNDING FOR UPTOWN REVITALIZATION".

#### H. City Manager's Report:

- 1) Mr. Howell reminded Council their retreat is scheduled for February 26, 2016. He plans to review the previous year's goals, objectives, and action

items and to provide an update on those issues. Mr. Howell requested if Council had any specific items for discussion that those can also be included.

Mayor Anthony requested time on the retreat agenda for a general review of Council's methods and procedures.

- 2) With regard to the Blanton Center, Mr. Howell said updated floor plans of the interior renovations and the schematic of the addition as proposed for the new Police Department will be available for Council's viewing prior to their next meeting of March 7, 2016 in the City Hall conference room.

**I. Council Announcements and Remarks:**

- 1) Mayor Anthony invited Council members to attend the dedication of the new Union Elementary School track and to recognize Cleveland County's own 2012 Olympic silver medalist, Manteo Mitchell, who attended Union Elementary School and graduated from Crest High School. The event is scheduled for February 17, 2016 at 1:00 p.m. at the Union Elementary School. The Mayor plans to attend and present a proclamation honoring Mr. Mitchell.

**J. Adjournment:**

- 1) Motion to adjourn

**ACTION TAKEN:** Upon a motion made by Mr. White, City Council voted unanimously to adjourn the meeting at 7:17 p.m.

Respectfully submitted,

Bernadette A. Parduski, NCCMC, MMC  
City Clerk

O. Stanhope Anthony III  
Mayor