

**MINUTES**

Regular Meeting  
City Hall Council Chamber

September 18, 2017  
Monday, 6:00 p.m.

**Present:** Mayor O. Stanhope Anthony III, presiding; Council Members David W. White, David Causby, Ben Kittrell, Jr., 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 Water Resources David W. Hux, Police Chief Jeffrey H. (Jeff) Ledford, Fire Chief William P. Hunt, MPA, EFO, Assistant Fire Chief – Logistics and Enforcement Services Todd McMurry, Director of Public Works Daniel C. (Danny) Darst, Jr., and Director of Planning and Development Services Walter (Walt) Scharer, AICP; and Director of Cable Programming Greg Tillman of Cleveland Community College and The Video Factory

**Absent:** Council Members Eric B. Hendrick and Dennis C. Bailey

Mayor Anthony called the meeting to order at 6:00 p.m. and welcomed all who were in attendance. The Mayor gave the invocation and Mr. Kittrell led the *Pledge of Allegiance*.

**A. Approval of agenda:**

- 1) Motion to adopt the proposed agenda

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

**B. Special Presentations:**

- 1) Recognition of Bernard Wray Hamrick on the occasion of his retirement from employment with the City of Shelby: Resolution No. 54-2017

Mayor Anthony called upon Bernard Wray Hamrick, who recognized his father, wife, and son in attendance. The Mayor formally read and presented framed Resolution No. 54-2017 to Lieutenant Hamrick. Mayor Anthony then presented plaques along with the key to the City and a City lapel pin to him in honor of and with heartfelt appreciation for 27 years of dedicated service to the City of Shelby Police Department.

Lieutenant Hamrick was also conferred with the *Order of the Long Leaf Pine*, which is among the most prestigious awards presented by the North Carolina Office of the Governor. On behalf of Governor Roy Cooper, Mayor Anthony formally read and presented the commendation to Lieutenant Hamrick in recognition of his dedication and outstanding service as an exemplary employee of the State of North Carolina.

Humbled by the recognition, Lieutenant Hamrick expressed his appreciation to all.

2) City of Shelby Economic Development Strategic Plan – Crystal Morphis, CECD, LEED Green Associate, of Creative Economic Development Consulting, LLC

Mr. Howell introduced the subject matter of the presentation by stating Crystal Morphis of Creative Economic Development Consulting, LLC was once again contracted by ElectriCities of North Carolina to develop an updated version of the 2004 Shelby Economic Development Strategic Plan. The process was initiated in December 2016 and involved community surveys, individual interviews, development of an economic development profile for the City as well as a strengths, weaknesses, opportunities, and threats (SWOT) analysis.

Next, Mrs. Morphis began her presentation by echoing that this economic development strategic planning process was sponsored by ElectriCities of North Carolina, as a service to its member communities. ElectriCities knows that companies and people invest in communities that invest in themselves. This strategic plan brings together several investment strategies currently being implemented by Shelby and adds specific action steps for economic development.

Mrs. Morphis stated Shelby is a model city for revitalization and also has the most important ingredient for success, leadership, which underscored her opening statement: “Just keep doing what you are doing”. Throughout this process, city, county, and community leaders were cited for cooperation and collaboration.

Mrs. Morphis said the SWOT analysis was developed using information from interviews and a community survey, along with staff and leadership input. Altogether more than 110 people had input into the strategic plan.

Mrs. Morphis stated an economic and demographic profile was created to analyze how Shelby is growing and changing quantitatively. This information, along with the SWOT analysis, was part of the foundational building blocks for the strategic plan. She referred to the details contained in

the plan report, summarizing as follows:

- The population has remained relatively flat.
- The City of Shelby is attracting younger workers.
- The data supports the attraction of semi-skilled jobs.
- The labor force is growing and the unemployment rate is declining.
- Approximately 82 percent of all Cleveland County businesses have less than 10 employees, making small business development an important part of the economic development strategy.
- Violent crime and property crime has been decreasing in Shelby since 2000.

Mrs. Morphis reviewed the strengths listed in the community survey as follows:

- Uptown Shelby revitalization
- Pro-business climate including local incentive grants, creative city willing to explore options and put together packages for business recruitment
- Foothills Commerce Center

Mrs. Morphis reviewed the weaknesses listed in the community survey as follows:

- Long-term poverty
- Not enough retail options
- Public school system – families opting for other school systems or private schools

Mrs. Morphis reviewed the opportunities listed in the community survey as follows:

- Business recruitment
- Filling vacant stores
- Retaining and recruiting young people
- Expanding recreation and entertainment

Mrs. Morphis reviewed the threats listed in the community survey as follows:

- Aging population
- Workforce availability

With regard to the Economic Development Strategic Plan, Mrs. Morphis stated the Shelby community ranked new business recruitment, existing

business support, and education and workforce development as the top three economic development strategies. She explained following this top group, retail and commercial development, infrastructure improvements, and small business entrepreneur support were ranked next. Citizens want to see these strategies result in local job creation, better paying jobs, economic diversification, and increased business start-ups.

Mrs. Morphis discussed the goals, respective strategies, and action steps as follows:

- **Population growth – Attract and retain people through residential development**
  - Action steps included a residential incentive program, free tuition/scholarship programs, and synthetic tax increment financing (TIF)
- **New business recruitment and infrastructure investments – Align City’s development programs with target sectors**
  - Action steps included automotive, energy, heavy manufacturing, aerospace and defense, consumer goods, and textiles sectors, asset management plan, and website updates
- **Space available for businesses – Continue to work with partners to create space for industry and business**
  - Action steps included continuing to partner with Cleveland County, site preparation, identifying future sites and qualifying sites, co-work space, vacant building revitalization, and retail development
- **Support entrepreneurial development – Wayfinding for entrepreneurs**
  - Action steps included a Business Concierge or Liaison, starter kits, capitalize on Certified Entrepreneurial Community (CEC) Program, Young Entrepreneurs Network, and small business incentive policy
- **Placemaking – Attract and retain people through placemaking**
  - Action steps included to continue to invest in the Center City Master Plan, formal public art policy, Keep Shelby Beautiful Commission aesthetic and design standards, create a comprehensive incentive package for downtown development, and Rail-Trail System Master Plan
- **Internal Marketing – Develop and tell the Shelby Story**
  - Action steps included public information and Marketing Director

position, recent news on economic development website, tell the Shelby Story, annual report, and State of the City annual event

- **Business Retention and Expansion (BRE) – Integrate key accounts into the BRE Program**
  - Action steps included to train staff to look for company expansion or contraction based on services, regular business climate survey, and business breakfast meetings
- **Education and Workforce Development – Increase visibility and access to higher education**
  - Action steps included a satellite campus and college promise endowment

Mrs. Morphis concluded her presentation by stating this Strategic Plan is meant to be implemented over a three-year period and suggesting an outline for implementation categorized by Years 1 through 3. She recommended each year the City of Shelby identify a few action steps to develop. It was also recommended that Shelby revisit the Strategic Plan annually to update and make course corrections.

Council received the information and took no action.

### **3) Redevelopment Area and Plan for Chestnut Neighborhood – Walter Scharer, Director of Planning and Development Services**

Mr. Howell introduced the subject matter of the presentation by stating as part of the City's ongoing Neighborhood Action Planning, the initiation and possible future designation of a redevelopment area for the Chestnut Street Neighborhood has potential benefits worth exploring and developing.

Next, Mr. Scharer provided background information regarding Council's adoption of the City's Strategic Growth Plan in 2005 and the Neighborhood Action Plan in 2006. The Neighborhood Action Plan outlined a number of tools in which the City of Shelby may assist in neighborhood improvements. Mr. Scharer stated many of these techniques have been accomplished or implemented most notably in the Chestnut Street neighborhood with its prime location in close proximity to Uptown Shelby and the East Marion Street-Belvedere Avenue Historic District. However, he said one of the tools not used to date is the establishment of a Redevelopment Area.

Mr. Scharer explained the North Carolina Urban Redevelopment Law permits special redevelopment areas within municipalities to promote the health, safety, and welfare of its inhabitants. Redevelopment Areas are operated by

a redevelopment commission which shall operate for the public purpose of re-planning such areas and the possibility of holding or disposing of properties in such a manner that they shall become available for economically and socially sound redevelopment.

Mr. Scharer presented the Chestnut Redevelopment Plan location map, the Chestnut Redevelopment Plan aerial map, the Chestnut Redevelopment Plan total value study map, and the Chestnut Redevelopment Plan occupancy study map for discussion purposes.

Lastly, Mr. Scharer presented a schematic site plan for discussion purposes. He explained the next steps in the process, summarizing the following:

- A redevelopment commission must be formed to exercise the powers granted by the Urban Redevelopment. The governing board may serve in this role.
- Once a commission is formed, its first order of business is to create a redevelopment plan. The Planning and Zoning Board will be tasked with creating a land use plan for the Chestnut Redevelopment Area.
- Upon receipt of the plan from the Planning and Zoning Board, the governing board must hold a public hearing to allow residents to comment on the plan.

Council received the information and took no action.

C. Public Comment: None

D. Public Hearings:

- 1) Consideration of a proposed ordinance to amend the Unified Development Ordinance (UDO) of the City of Shelby: Ordinance No. 56-2017

Mr. Scharer introduced the proposed textual amendment which must be incorporated into the City's UDO to be in compliance with the recent ruling by the United States Supreme Court. He stated this proposal corrects a mistake within the exempt signs sub-article and updates the City's definition of temporary signs to comply with a recent ruling by the United States Supreme Court.

Mr. Scharer explained temporary signs have historically been used as a means of notifying the public to special events within the City limits and Extraterritorial Jurisdiction (ETJ). Currently, Article 12-1.3(U) lists temporary signs that meet the City's design standards as exempt signage.

However, this statement should have been listed under the prohibited signs section for those signs that do not meet the City's temporary signs standards. As moving the article would create unnecessary redundancy within the sign ordinance, Article 12-1.3(U) should be removed from the UDO.

He stated Article 12-1.3(U) Temporary signs meeting the requirements of Section 12-1.5(I) should be stricken.

As for the updating the definition of Temporary Signs, Mr. Scharer further stated the United State Supreme Court ruled in 2015 that any ordinance restricting signage based on content shall be considered a limitation of Freedom of Speech. While not necessarily illegal, laws that seek to regulate content are judged under strict scrutiny by federal courts. In order to seek congruency with the ruling, Article 12-1.1(Y) should be changed from:

“Temporary signs are those signs which relate to such events as elections, farm auctions, yard sales, agricultural production sales, annual charitable, civic or fraternal events, horse shows, festivals, and home show openings.”

To read, as corrected by Mr. Yelton:

“Temporary signs are any signs that are not permanently anchored or attached to a building and not having supports or braces permanently secured to the ground. This includes banners, wire frame signs, and similar signage.”

Mayor Anthony opened the public hearing at 6:51 p.m. and invited comments from the public.

The public offered no comments and Mayor Anthony closed the public hearing at 6:52 p.m.

**ACTION TAKEN:** Upon a motion made by Mr. White, City Council voted unanimously to approve and adopt Ordinance No. 56-2017 entitled, “A PROPOSED ORDINANCE TO AMEND THE UNIFIED DEVELOPMENT ORDINANCE (UDO) OF THE CITY OF SHELBY”.

2) Consideration of a proposed ordinance to amend the Unified Development Ordinance (UDO) of the City of Shelby: Ordinance No. 57-2017

Mr. Scharer introduced a proposed textual amendment to add a maximum setback dimension to the Central Business District Dimensional Requirements.

**Mr. Scharer stated currently the Shelby's UDO permits zero front yard setbacks in the Central Business Zoning District. These setbacks are an attempt to preserve and promote the historic integrity and pedestrian atmosphere of the Uptown Shelby area. However, there is no requirement to promote or preserve these historic features of Uptown in terms of a maximum setback.**

**Utilizing a maximum setbacks depiction for illustrative purposes, Mr. Scharer further stated this proposed UDO amendment will set a maximum front setback in the Central Business Zoning District by adding 15 feet to Table 9-4-3 (Table of Density and Dimensional Requirements Non-residential Districts) for the Central Business District.**

**Mayor Anthony opened the public hearing at 6:55 p.m. and invited comments from the public.**

**The public offered no comments and Mayor Anthony closed the public hearing at 6:56 p.m.**

**ACTION TAKEN: Upon a motion made by Mr. Amaya, City Council voted unanimously to approve and adopt Ordinance No. 57-2017 entitled, "A PROPOSED ORDINANCE TO AMEND THE UNIFIED DEVELOPMENT ORDINANCE (UDO) OF THE CITY OF SHELBY".**

**3) Consideration of an ordinance to extend the corporate limits of the City of Shelby, North Carolina: Ordinance No. 58-2017**

**Mr. Howell introduced Ordinance No. 58-2017 and as a reminder stated this voluntary annexation by Clearwater Paper Corporation is part of the economic development agreement among the City of Shelby, Cleveland County, and Clearwater.**

**Mr. Scharer stated the annexation site has an area of approximately 252 acres. Currently, the property is being developed for Clearwater Paper Corporation's new facility. He added the property meets the statutory requirements for annexation and is contiguous with the current corporate limits of the City of Shelby.**

**Mayor Anthony opened the public hearing at 6:57 p.m. and invited comments from the public:**

**Michael Gengler who resides at 144 Ridgefield Road in Shelby, North Carolina spoke against the annexation of the Clearwater Paper Corporation site on Washburn Switch Road. He expressed concerns about the possibility of his property being annexed sometime in the future, which he opposes.**



Mayor Anthony closed the public hearing at 6:59 p.m.

**ACTION TAKEN:** Upon a motion made by Mr. Amaya, City Council voted unanimously to approve and adopt Ordinance No. 58-2017 entitled, "AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF SHELBY, NORTH CAROLINA".

**E. Consent Agenda:**

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

- 1) Approval of the Minutes of the Regular Meeting of August 21, 2017
- 2) Approval of Special Event Permit Applications:
  - a. Art of Sound, requested dates: September 22 and 23, 2017
  - b. Hope Community Church 5K Run and Walk, requested date: September 30, 2017
  - c. Shelby High School Homecoming Parade, requested date: October 12, 2017
  - d. Cleveland County Veterans Day Parade, requested date: November 11, 2017
- 3) Acceptance of the Certificate of Sufficiency regarding Petition for Annexation of applicant, Glenn Taylor, for Clearwater Paper Corporation
- 4) Approval of a resolution approving an application by the City of Shelby Police Department to the U S Department of Justice for an Edward Byrne Memorial Justice Assistance Grant and accepting the funds of same: Resolution No. 57-2017
- 5) Approval of a resolution authorizing selection of HDR of the Carolinas, Inc. based on qualifications for Water Treatment Plant Upgrades Project: Resolution No. 58-2017
- 6) Approval of a resolution directing the City Clerk to determine sufficiency of a voluntary annexation petition from Cleveland County: Resolution No. 59-2017

- 7) Approval of a resolution approving an inter-fund loan from the City of Shelby Electric Fund to the City of Shelby Water Fund and City of Shelby Sewer Fund: Resolution No. 60-2017
- 8) Adoption of an ordinance establishing a capital project ordinance and budgets for the City of Shelby's Uptown Water Infrastructure Replacement Project: Ordinance No. 59-2017
- 9) Adoption of an ordinance establishing a capital project ordinance and budgets for the City of Shelby's Uptown Sewer Infrastructure Replacement Project: Ordinance No. 60-2017
- 10) Adoption of an ordinance authorizing demolition of a dwelling (*518 Ligon Street*): Ordinance No. 63-2017
- 11) Adoption of an ordinance authorizing demolition of a dwelling (*1217 South Lafayette Street*) Ordinance No. 64-2017

#### END CONSENT AGENDA

F. Unfinished Business: None

G. New Business: None

H. City Manager's Report:

- 1) Mr. Howell provided a progress report regarding the East Gateway Improvements Project. He said three foundations for the mast arm poles have been poured, anticipating the project to be completed in November 2017.
- 2) In conjunction with the All Aboard Park Project at City Park, Mr. Howell reported the playground equipment which is to be replaced has been sold at auction via GovDeals for \$18,000 and will offset some of the City's costs for new equipment.
- 3) Mr. Howell announced the Cleveland County Rail-Trail public workshop schedule is set for September 19, September 20, and September 21, 2017 during designated times throughout those dates and at various venues. The workshop schedule has been published and made available to the public.
- 4) As a reminder, Mr. Howell announced the annual City of Shelby Employee Picnic will be held on September 21, 2017 beginning at 11:00 a.m. to 2:00 p.m. at City Park, extending the invitation to Mayor Anthony and Council

members.

**I. Council Announcements and Remarks:**

- 1) Mayor Anthony announced the third annual Cleveland Cup 5K will be held on October 13, 2017 with a start time of 3:30 p.m. at Shelby City Park, encouraging Council members to register and participate in the race. Mr. Howell added for this year's Cleveland Cup race, the City's team will honor Timmy Thompson, former Parks and Recreation employee who was recently diagnosed with Amyotrophic Lateral Sclerosis (ALS), by wearing blue race shirts imprinted with "Team Timmy".
- 2) Mr. Amaya mentioned he has been recruiting applicants for several vacancies on the City's advisory boards.

**J. Closed Session:**

- 1) To prevent the disclosure of information that is privileged or confidential pursuant to North Carolina General Statute 143-318.11 (a) (1)
- 2) To establish or instruct staff in negotiating the terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease pursuant to North Carolina General Statute 143-318.11 (a) (5)

**ACTION TAKEN:** Mr. Causby made a motion to enter into a closed session pursuant to the appropriate North Carolina General Statutes as cited. Mayor Anthony consulted with Mr. Yelton who advised the topics met the statutory requirements for a closed session. The Mayor invited all Council members present along with Mr. Howell, Mr. Yelton, and Mrs. Parduski to attend. The motion passed unanimously and Council moved into closed session at 7:10 p.m.

Council returned to the regular session at 7:37 p.m.

**K. Adjournment:**

- 1) Motion to adjourn

**ACTION TAKEN:** Upon a motion made by Mr. Amaya, City Council voted unanimously to adjourn the meeting at 7:38 p.m.

Respectfully submitted,

**Bernadette A. Parduski, NCCMC, MMC  
City Clerk**

**O. Stanhope Anthony III  
Mayor**

**Minutes of September 18, 2017**