

MINUTES

Regular Meeting
City Hall Council Chamber

August 1, 2022
Monday, 6:00 p.m.

Present: Mayor O. Stanhope Anthony III, presiding; Council Members Andrew L. Hopper Sr., David Causby, Charles Webber, and Violet Arth; City Manager Rick Howell, MPA, ICMA-CM, City Attorney Andrea Leslie-Fite, City Clerk Carol Williams, Executive Administrative Assistant/Deputy Clerk, Breanna Jones; Public Information and Communications Officer, Chip Nuhrah, Director of Finance Elizabeth (Beth) B. Beam, Director of Human Resources Deborah (Deb) Jolly, Fire Chief William P. Hunt, MPA, EFO, Assistant Fire Chief Quentin Cash, Director of Planning and Development Services Walter (Walt) Scharer, AICP, Interim Director of Public Works Scott Black

Absent: Council Members David White and Emilie Bullock

Mayor Anthony called the meeting to order at 6:00 p.m. and delivered the invocation.

Ms. Arth led the Pledge of Allegiance.

A. Approval of agenda:

1) Motion to adopt the proposed agenda

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

B. Special Presentations:

1) Commercial and Residential Development Presentation –
Walter Scharer, Director of Planning and Development Services

Mr. Scharer presented an update on residential and commercial development in Shelby. Using a map of Shelby, Mr. Scharer pointed out the areas of residential development that developers have submitted a preliminary plan these include:

- Near Magnolia Plantation
- Near Earl Road
- On Eaves Road
- On S. Lafayette Street near Food Lion
- On Royster Avenue

Mr. Scharer stated these projects, although in the preliminary stage, have to be considered seriously because of the supply chain; the City cannot quickly

provide the initial materials needed for these projects due to the current lack of supply. Mr. Scharer stated that the projects listed consist of 700 dwelling units.

Using another map, Mr. Scharer pointed out the areas of residential development that City Council has recently approved the zoning for these projects:

- Toms Street and Wyke Road
- Marion Street behind the old Harris-Teeter
- On Hwy. 150
- Eaves Road
- Seattle Street

Mr. Scharer stated these projects are a little more serious than the previous projects mentioned, in that most of them will be submitting subdivision plans later this year. Mr. Scharer further stated that the projects listed consist of 721 dwelling units.

Using a third map, Mr. Scharer pointed out the areas of residential development that have been approved and under construction:

- Palisades
- Pinnacle Estates – near the old Hallelujah Acres
- The other end of Hallelujah Acres
- Riverwalk Subdivision near Riverbend

Mr. Scharer further stated that the projects listed consist of 700 dwelling units.

Mr. Scharer commented that if all the projects come to fruition the total is over 2100 dwelling units; the City of Shelby has to be ready to provide the needed materials.

Mr. Howell commented that these developments will be done over a period of time; and there is a supply chain concern to obtain transformers, conduit and pipe to connect natural gas service and electric service to these areas. Mr. Howell further commented that the City will not stockpile materials for these developments until there is actual money spent by the developers to purchase the land, hire engineers, etc. showing they are seriously invested in the project.

Mr. Scharer further commented that in 2021 the Planning Department issued 64 planning permits; so far in 2022 the department has already issued 75 permits. Mr. Scharer stated these are for individual lots all around Shelby.

After a question from Mr. Webber, Mr. Howell updated Council on the project at S. DeKalb Street and Ella Street, near Shelby High School. Mr. Howell stated the project had some unforeseen delays and the pandemic occurred. Mr. Howell has recently spoken to Maida Renson who represents the developer of the project, and currently they are hoping to obtain additional financing from the North Carolina Housing Finance Agency. Mr. Howell stated this project would be approximately 200 apartment type units.

Mr. Hopper asked what the increase in population would be if all these projects were to happen. Mr. Scharer stated the rule of thumb in Planning is 2.4 individuals per unit, so 2100 units multiplied by 2.4 individuals.

Mr. Webber asked what the strategy is if the City doesn't plan on stockpiling materials for electric and natural gas. Mr. Howell stated Mr. Yarboro and staff look at several indicators from developers:

- Has the developer purchased the land?
- Have they spent money on engineering and design?
- Have they begun any infrastructure on the property?
- How many units do they anticipate building in a year?
- What's the market saturation?

Then the City prioritizes and ranks the projects based on the developer's progress, so the City doesn't sink a lot of money into a project that fails to develop. Mr. Howell stated the City has already invested \$2 million on transformers that have a lead time of 110 weeks, which is just one consideration.

Mr. Howell concluded by stating residential development is a good problem to have, because we are seeing growth, but the City needs to consider cash flow and we don't want to be stuck with inventory that isn't used because the housing market fluctuated.

Mr. Scharer concluded his presentation by showing on a map the commercial development happening in Shelby:

- An RV Park off Washburn Switch Road
- Tractor Supply
- Two unnamed fast-food restaurants on 74
- Goodwill is moving to the old Lidl building
- SECU is under development beside the current SECU
- Awaiting construction plans for the TownPlace suites motel
- Ollie's is moving into the old Big Lots
- An additional Taco Bell is coming to the old Zaxby's restaurant
- An unnamed restaurant at the corner of Hwy. 180 and Hwy. 74 at the gas station that was recently torn down
- The Rogers Theater developer has met with the City's building inspectors and fire marshal

2) Uptown Shelby Association update – Audrey Whetten Godfrey, Executive Director

Mrs. Godfrey highlighted several of the items on the handout she provided City Council, they include:

- The RAISE Grant application – Eagerly awaiting the decision and was touched by the community support
- Marketing campaigns:
 - Tourism grant much appreciated from the City of Shelby
 - Plug-ins on their website for better accessibility to events
 - Table toppers in local businesses to promote events
- City of Shelby Employee Appreciation Nights at Shelby Alive
- Searching for a new carriage ride provider
- Rogers Theater has been purchased by an energetic, young local couple with exciting plans – www.therogers theater.com
- Opportunity Appalachia grant to explore the redevelopment of the Hotel Charles
- Realized a 62% increase in known entities in Uptown Shelby – nine years ago when Mrs. Godfrey started the number of known entities was 145, now it's up to 235

Mrs. Godfrey listed some upcoming events:

- Shelby Alive Concerts – August 18 – JAVA Band, and September 15 – Donna the Buffalo band
- Art Pop Uptown (formerly Art Walk) is scheduled for October 13

Mrs. Godfrey concluded by stating how much she has enjoyed working with our City Attorney, Andrea Leslie-Fite, and that she will miss her but happy for her future career. Mrs. Godfrey added that she appreciated the dedication and professionalism of the City staff and Council, noting that public service is sometimes a thankless task and not always easy.

Mayor Anthony thanked Mrs. Godfrey for her kind words and added that she does an outstanding job.

C. Consent Agenda:

Mayor Anthony presented the consent agenda. Ms. Arth moved to approve the consent agenda and the following items were unanimously adopted:

- 1) Approval of the Minutes of the Regular Meeting of July 18, 2022
- 2) Approval of Special Event Application:
 - a) SHS Homecoming Parade, requested date: September 30, 2022
- 3) Management Reports:
 - a. Planning and Development Summary – June 2022
 - b. Financial Summary – June 2022

D. Unfinished Business:

- 1) **SECOND READING:** An Ordinance amending Chapters 1, 10, 16, 20, 30, 32, 34 of the City of Shelby Code of Ordinances: Ordinance No. 46-2022

Mrs. Leslie-Fite presented Ordinance No. 46-2022 for a Second Reading and reminded Council that these Chapters are in response to the statutory updates to include Misdemeanor language.

ACTION TAKEN: Upon a motion made by Mr. Causby, City Council voted unanimously to approve and adopt Ordinance No. 46-2022 entitled, "AN ORDINANCE AMENDING CHAPTERS 1, 10, 16, 20, 30, 32, 34 OF THE CITY OF SHELBY CODE OF ORDINANCES"

- 2) **SECOND READING:** An Ordinance amending Chapter 12 of the City of Shelby Code of Ordinances: Ordinance No. 47-2022

Mrs. Leslie-Fite presented Ordinance No. 47-2022 for a Second Reading and reminded Council that Chapter 12 is an update for the materials used in the cemeteries for mausoleums, headstones, etc.

ACTION TAKEN: Upon a motion made by Mr. Webber, City Council voted unanimously to approve and adopt Ordinance No. 47-2022 entitled, "AN ORDINANCE AMENDING CHAPTER 12 OF THE CITY OF SHELBY CODE OF ORDINANCES"

E. New Business

- 1) **Consideration of appointment to the North Carolina Municipal Power Agency 1 (NCMPA1) Board of Commissioners as Second Alternate:**

Currently: Commissioner: Rick Howell
1st Alternate: Justin Merritt
2nd Alternate: Julie McMurry

Mayor Anthony reported that a vacancy exists for the City of Shelby's 2nd Alternate representative to the North Carolina Municipal Power Agency Number 1's Board of Commissioners due to Julie McMurry's retirement. Mr. Howell further stated that he recommends Ben Yarboro as 2nd Alternate due to the additional responsibilities given to Mr. Yarboro since Mrs. McMurry's retirement. Mr. Howell believes this appointment will give Mr. Yarboro exposure to the North Carolina Municipal Power Agency 1 (NCMPA1) that will benefit the City in the future.

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to appoint Ben Yarboro as 2nd Alternate to the North Carolina Municipal Power Agency 1 Board of Commissioners.

- 2) Consideration of a Resolution in support of Destination Cleveland County and authorizing the execution of a Lease and Security Instrument in favor of the City of Shelby: Resolution No. 58-2022

Mr. Howell reminded City Council that in 2008 the City leased the Don Gibson property to Destination Cleveland County for a four-year lease with a four-year renewal and then year to year. Mr. Howell proposed to City Council that the City goes back to providing a four-year term with an option to renew for another four years. Mr. Howell stated the Don Gibson has been a definite boost to our Uptown area for the past 13 years. Resolution No. 58-2022 authorizes the lease agreement between the City of Shelby and Destination Cleveland County; and approves the transfer of personal property, not owned by any individual, to the City of Shelby.

ACTION TAKEN: Upon a motion made by Mr. Hopper, City Council voted unanimously to adopt Resolution No. 58-2022 entitled, “A RESOLUTION IN SUPPORT OF DESTINATION CLEVELAND COUNTY AND AUTHORIZING THE EXECUTION OF A LEASE AND SECURITY INSTRUMENT IN FAVOR OF THE CITY OF SHELBY”

E. City Manager’s Report:

- Regarding Phase 1 of the resurfacing of streets, which consists of 17.8 miles of City streets started July 27th and should be completed by the end of December 2022
- Regarding Shell Building #4 on Randolph Road –
 - 95% of the grading on that property is complete
 - Concrete slab should be done between August 15th – 19th
 - Precast wall panels will be delivered mid-September
 - Construction should be done by February 14, 2023
- Regarding Shell Building #5 –
 - Preparing plans with the County and hope to move forward soon after Shell Building #4 is sold
- Regarding Phase 1A of the Rail Trail –
 - Funded by a State grant and City funds
 - Runs from Sunset cemetery to West Marion Street
 - Work is scheduled to start September 6, 2022
 - Supply chain for materials is challenging

- Completion date of April 2023
- **Regarding Phase 2 of the Rail Trail –**
 - Runs from W. Marion Street to DeKalb Street
 - Design is in progress and should be complete by October 2022
 - Bid project in December 2022
 - Contingent on the RAISE grant funding
- **Regarding the RAISE Grant funding –**
 - A great team effort which includes the Mayor and Council, State legislators, grant writers, engineers, Chip Nuhrah, Audrey Whetten Godfrey, and citizens that have supported and promoted the project
 - Cautiously optimistic because we have a good project that meets the criteria
 - Limited amount of money with a lot of competition but we should have a good chance of receiving the funding
- **Regarding National Night Out is August 2, 2022 at the Bobby Bell Pavilion**
- **Regarding the Earl Scruggs Music Festival is September 2nd – 4th at the Tryon Equestrian Center**
- **Regarding Recycling Program**
 - City is interested in looking at the viability of reinstating this program
 - Recycling markets have rebounded some
 - Meeting with recycling officials and private companies to gauge the possibility of reinstating a recycling program
 - Have to have reassurance from a recycling vendor that the recyclables will not be landfilled
 - Ms. Arth thanked Mr. Howell and staff for looking into the Recycling Program again
- **Regarding the Charles Hotel – the City has received notification from the Appalachian Regional Commission’s Opportunity Appalachian program for a grant of \$75,000 to provide technical assistance, to conduct a feasibility study, and whether there is a market for a boutique hotel Uptown. This study will allow the City to present the information to individual investors and developers to decide whether to move forward on this project. Mr. Howell stated the City is not handling this project. Mr. Howell further stated Bank OZK has not committed to selling the property, nor have they been asked, but they are aware of the feasibility study being conducted.**
- **Mr. Howell stated the Charles Hotel is just one piece of the puzzle, just like the Don Gibson, or the Bobby Bell Pavilion, or individual investments in Uptown businesses that build upon each other to improve Shelby’s economy.**

F. Council Announcements and Remarks:

Mayor Anthony urged City Council to encourage citizens to apply to serve on our Boards and Commissions.

Mr. Hopper suggested one way to get the word out is to do a segment on the Mondays with the Mayor about service on our Boards or put more information on the City's website.

Ms. Arth stated that serving on a Board or Commission is an underrecognized way to be involved in the community.

Mayor Anthony reminded Council that the Host City Welcome is next week on August 10th. The American Legion World Series starts next Thursday, August 11th.

Mayor Anthony also shared with Council a brochure about the Dotty Leatherwood Memorial Garden at the LeGrand Center in hopes to promote this project. The brochure includes the plan concept and information on giving a donation to help fund the project.

Mr. Hopper spoke about the War Birds coming to the American Legion World Series and it will be exciting, along with other planned events.

Mr. Webber acknowledged the great work from Mr. Howell and the City staff despite the challenges. Mayor Anthony also stated he appreciated the City staff's hard work while being short-staffed.

Mr. Hopper directed a comment to Mr. Howell stating that it was a good decision many years ago to hire him as City Manager and that he's proven to be a proactive leader that inspires the staff and they follow his lead. Mr. Hopper says the City of Shelby has benefitted from Mr. Howell's leadership.

G. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Mr. Webber, City Council voted unanimously to adjourn the meeting at 6:59 p.m.

Respectfully submitted,

**Carol Williams
City Clerk**

**O. Stanhope Anthony III
Mayor**

Minutes of August 1, 2022