

## MINUTES

Regular Meeting of Shelby City Council  
Don Gibson Theatre

January 8, 2024  
Monday, 6:00 p.m.

**Present:** Mayor O. Stanhope Anthony, III, presiding; Council Members Andrew L. Hopper, Sr., David Causby, Violet Arth, Charles Webber, and Emilie Bullock; City Manager Rick Howell, MPA, ICMA-CM, Assistant City Manager Ben Yarboro, Assistant City Manager Justin Longino, MBA, City Attorney Jason Lunsford, City Clerk Carol Williams, Deputy City Clerk Breanna Jones, Director of Human Resources Deborah (Deb) Jolly, Director of Finance Elizabeth (Beth) Beam, CPA, Fire Chief William Hunt, EFO, Chief of Police Brad Fraser, Public Works Director Scott Black, Director of Water Resources Brian Wilson, Public Information and Communications Officer Chip Nuhrah, Director of Parks and Recreation Charlie Holtzclaw, Audrey Godfrey, Senior Planner, and Jennipher H. Harrill, Social Media Manager, Blue Eyes Media Connections

**Absent:** Council member David White

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

Mr. Hopper led the Pledge of Allegiance.

### A. Approval of agenda:

- 1) Motion to adopt the proposed agenda presented.

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

### B. Public Comment:

Ruth Harris who resides at 872 E. Southgate Drive, Shelby, North Carolina, voiced her concerns about the number of new developments in our area and if the City is prepared, as in, more fire personnel, policemen and other infrastructure needs.

Gus Martinez who resides at 312 McBrayer Street, Shelby, North Carolina asked Council about the urban development plan and long-term objectives. Mr.

Martinez also voiced his concerns about the increase in traffic and the quality of life for the residents of Shelby.

**C. Public Hearing:**

- 1) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcels 28706 and 28707: Ordinance No. 1-2024

Mr. Longino presented this item to Council and stated these parcels are located between Market Street and Morgan Street and contain approximately 3.2 acres. The parcels are currently zoned General Industrial (GI). The applicant, Ed McLean, a consultant for the City, requests amending the zoning to Central Business (CB) in order to allow for the redevelopment of the property into a city park.

Mayor Anthony opened the public hearing at 6:12 p.m. and invited comments from the public.

The public offered no comments.

Mayor Anthony closed the public hearing at 6:13 p.m.

**ACTION TAKEN:** Upon a motion made by Ms. Arth, City Council voted unanimously to approve Ordinance No. 1-2024 entitled, "A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA FOR PARCELS 28706 AND 28707 due to its consistency and reasonableness."

- 2) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcels 30492 and 28474: Ordinance No. 2-2024

Mr. Longino presented this item to Council and stated these parcels are located on the western side of Shelby, adjacent to West Dixon Boulevard, Old Boiling Springs Road, and Polkville Road; the development would have access to all these roads.

Mr. Longino detailed the following aspects of this zoning amendment request:

- Currently the parcels consist of approximately 835 acres and are vacant except for the Blanton home; the Comprehensive Land Use Plan categorizes these parcels as Agricultural (Parcel 30492) and Conservation Development (Parcel 28474)

- The current zoning districts for these parcels are R20, R10, and Light Industrial. The applicant requests the zoning districts to be amended to R6-CZ, GB-CZ, and GI-CZ
- 697.2 acres will consist of 1,642 residential units with roughly 20% of the acreage left as open space and common areas
- The density proposed is 2.36 dwelling units per acre
- 15.8 acres for commercial development and 106.7 acres for industrial development with up to 5 industrial sites
- If amended the parcels are subject to the conditions submitted in accordance with the Blanton Farm Conditional Zoning Master Site Plan and the development standards outlined in the submitted Blanton Farm Conditional Zoning Conditions and Guidelines

Mr. Longino further stated the conditional zoning package from the developer includes the following:

- A Master Site plan has been submitted and must be followed
- Plans to extend the First Broad River Trail as well as new internal trails on the property
- Architectural standards with minimum lot widths, setbacks and buffers for residential uses
- Architectural standards with setbacks, and buffers for commercial areas
- Architectural standards with setbacks and buffers for industrial areas
- Landscaping requirements
- Homeowners Association(s) would be implemented
- Standards for trails, streets, and sidewalks for better connectivity
- Commitment to implement and pay for the mitigation measures recommended in the recently completed traffic impact analysis

Mr. Longino continued by stating this project would occur in phases over a ten-year period; and this proposal has been reviewed by City staff, including, planning, engineering, water resources, public works, police, and fire, and all departments feel confident in being able to serve this development.

Mr. Longino addressed the Traffic Impact Analysis which has been completed by the development team which requires them to add turn lanes, signals and improvements to intersections.

Mr. Longino confirmed that staff has communicated with the Cleveland County Schools superintendent, Dr. Fisher, to make them aware of the project and plan accordingly.

Mr. Longino presented different maps showing the location of the residential areas, the industrial sites, commercial sites, and the location of the trails.

**Mr. Longino concluded by stating this zoning amendment is both consistent and inconsistent with the City's current land use plan but is also consistent and compatible with the development patterns in the area; and the Planning and Zoning Board recommended this proposal after much review.**

**Ms. Arth brought up a concern about the gravesites that were on the property. Mr. Lunsford addressed her concern and said the City and the developers were contacted by the Elliott family and are aware of the situation. The developers are willing to work with the family and make accommodations beyond what State law requires.**

**Mayor Anthony opened the public hearing at 6:27 p.m. and invited comments from the public.**

**Allison Elliott Mintz who resides at 127 Elliott Circle, Ellenboro, North Carolina, voiced her concerns about the historic gravesite that belongs to the Elliott family that are on this property. Ms. Mintz gave historical background on the Revolutionary war hero buried on this property and stated her family has worked for years to reestablish the gravesites after the desecration of the tombstones and plots. Ms. Mintz would like assurance that the gravesites and cemetery are protected and included in the plan of the developers.**

**John Ferguson who resides at 221 Palmer Road, Lawndale, North Carolina, voiced his concerns about the number of people that could reside in this development and the density proposed. Mr. Ferguson also stated City Council has one chance to get this right and is setting a precedent if this type of development is approved.**

**Dennis Blain who resides at 209 Webb Farm Road, Shelby, North Carolina voiced his concerns regarding increased traffic, and if there are enough resources to serve this size development with police, fire and schools.**

**Stacy Heavner who resides at 1802 David Drive, Shelby, North Carolina voiced his concerns regarding the lot sizes and the density of the proposed amendment. Mr. Heavner stated the developers do not live in this area and Council needs to make decisions that are favorable to the citizens of Shelby. Mr. Heavner stated he favors more controlled development.**

**Brandon Bridges who resides at 307 Old Mill Road, Shelby, North Carolina voiced his concerns over the impact of current Cleveland County residents with the increase in traffic, and the infrastructure that may not be able to handle this size development.**

**Brandon Pridemore whose business is located at 1186 Stonecrest Boulevard, Tega Cay, South Carolina is the applicant for this zoning amendment. Mr.**

Pridemore stated his firm has worked diligently in preparing this zoning request with multiple conditions to help alleviate concerns from citizens. Mr. Pridemore confirmed that his team went to the School superintendent early on and was told this growth would not be an issue. Mr. Pridemore stated that they do have one chance to get this right and his idea is that they are establishing an anchor on the west side of Shelby that is cohesive instead of multiple developers coming in with random developments. Mr. Pridemore already has ideas for potential plans to reestablish the Revolutionary war hero gravesite and cemetery.

Joe Harris who resides at 2783 Island View Circle, Fort Mill, South Carolina is the principal owner of R. Joe Harris and Associates and the engineer for this development. Mr. Harris reiterated his firm personally contacted Dr. Fisher with the Cleveland County Schools and was told our school system has a decreasing population, and an increase in student population would not be an issue. Mr. Harris also addressed the cemetery and stated that of course they would do the right thing and work with family on preservation of the cemetery.

Karma Edwards who resides at 303 Hidden Creek Drive, Shelby, North Carolina stated she was torn between what she does for a living which, in part, is bringing walkability initiatives into communities and what her hometown heart feels about the increase in traffic, school infrastructure, and the size of the development. Ms. Edwards also addressed the concept of a smart growth development approach and the three P's of placemaking: People, Place, and Prosperity. Ms. Edwards further stated the developers are in Tega Cay and Fort Mill, South Carolina and not from Cleveland County, North Carolina.

Barbara Sandman who resides at 3480 Greystone Circle, Atlanta, Georgia stated she is a Cleveland County native and is also a descendant of the Revolutionary War hero that is buried on the parcel of land and has been for over 300 years. She wants the graves to be marked, preserved and accessible.

Larry Beaver who resides at 416 Old Boiling Springs Road, Shelby, North Carolina expressed his concerns over the increase in traffic and the schools being able to handle the influx of students and their safety. Mr. Beaver stated the completion of the bypass would help the west side tremendously but so far only a few miles are completed. Mr. Beaver concluded by asking Council to think of the people of Shelby and Cleveland County.

Stefin Bridges who owns property at 1601 Lackey Street, Shelby, North Carolina is concerned about the safety of the trails that are near his house, and also questioned where the wildlife would go once this development is established.

Laurel Carle who resides at 445 Webb Road, Shelby, North Carolina voiced her concerns that Shelby was going to become one big Charlotte type city. Ms. Carle also stated she moved here because of the open space and the quietness of the countryside and to escape the crowds in California; she is concerned about the number of people and the type of people that may come into the area. She is also concerned about the wildlife and where they will go.

Mayor Anthony closed the public hearing at 7:12 p.m.

During deliberations City Council asked for clarification and more information regarding the density if the zoning remains as is, and the difference if the zoning is amended – which was calculated to be 2.19 dwellings per acre (as is) compared to the proposed 2.36 dwellings per acre.

Mr. Yarboro gave more information regarding the Traffic Impact Analysis prepared by Kimley-Horn.

Mr. Lunsford clarified that any change in the development, for instance, more townhomes instead of single-family homes would have to come back to City Council for approval.

Mr. Howell stated that this development is bigger than anything the City has considered in decades; however, with the different phases built over many years the City can prepare and be ready for that growth.

**ACTION TAKEN:** Upon a motion made by Mr. Causby, City Council voted 3 – 2 (Causby, Hopper and Bullock affirmative) to approve Ordinance No. 2-2024 entitled, “A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA FOR PARCELS 30492 AND 28474 due to its consistency with the land use and reasonableness with the Master Plan.”

- 3) Consideration of a resolution granting a special use permit to Caleb Peeler for parcel 60931 at the corner of South Post Road and Joe’s Lake Road: Resolution No. 1-2024

Mr. Longino began his presentation stating this is a request for a townhome development at the corner of South Post and Joe’s Lake Road. Mr. Longino stated this hearing is required due to our Unified Development Ordinance (UDO) requiring a Special Use permit because more than 25 units are proposed to be developed on this parcel; because of the request a quasi-judicial hearing is necessary. Mr. Longino gave an overview of a quasi-judicial hearing which includes:

- gathering evidence in a fair manner to determine the facts of the request
- witnesses are sworn in and then provide their trustworthy and reliable testimony
- evidence can be from a non-expert or an expert that has knowledge or specialty in the area to be presented

Mr. Longino stated the current zoning is GB which allows townhomes by-right. Due to the project being over 25 units, it requires Council approval through the quasi-judicial hearing. Mr. Longino stated this proposal consists of building a townhome community with up to 81-units across 15 buildings on a 9.18 vacant parcel.

Mr. Lunsford outlined the quasi-judicial guidelines:

- testimony from sworn witnesses
- the evidence must be trustworthy
- information such as traffic impact analysis and housing market information need to come from an expert witness
- like a courtroom hearing, however a non-expert can give testimony, as well as hearsay from a non-expert as long as it is trustworthy
- after all evidence is given then Council needs to decide whether the information submitted is sufficient

Mayor Anthony opened the evidentiary hearing at 7:36 p.m. and sworn testimony was given as follows:

Doug McVey who resides at 212 Lake George Drive, Shelby, North Carolina misunderstood the purpose of this hearing and thought he signed up for Public Comment. Mayor Anthony invited him back for another meeting for Public Comment.

Caleb Peeler whose business is located at 211 Patton Drive, Shelby, North Carolina stated the purpose of this Special Use Permit is to review a proposed residential townhome development. Mr. Peeler read his statement of reasonableness which included:

- The development is consistent with the surrounding area
- Similar density to the residential developments at Kingsview and Pinnacle Estates
- It is consistent with the City of Shelby Comprehensive Land Use Plan
- Sidewalks will provide connectivity

- This plan matches the original 2006 approved master plan of the Hallelujah Acres development
- It benefits the community by providing housing, increases the city tax base, and develops a community connecting to neighboring residential developments
- It is currently zoned General Business which allows for the proposed townhome use, however, since the development is greater than 25 units, a Special Use Permit is required

Mayor Anthony closed the hearing at 7:41 p.m.

After hearing all who wished to present testimony on said Special Use Permit request and considering the facts presented in this case, City Council concluded and made the Findings of Fact and Conclusion of Law which are found in Attachment A of Resolution No. 1-2024.

**ACTION TAKEN:** Upon a motion made by Ms. Arth, City Council voted unanimously to approve Resolution No. 1-2024 entitled, “A RESOLUTION GRANTING A SPECIAL USE PERMIT TO CALEB PEELER FOR PARCEL 60931 AT THE CORNER OF SOUTH POST ROAD AND JOE’S LAKE ROAD because the Findings of Fact have been established and meet the criteria as provided in Attachment A of Resolution 1-2024.”

**D. Consent Agenda:**

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

- 1) Approval of the Minutes of the Regular Meeting of December 4, 2023
- 2) Adoption of a budget ordinance amendment for the City of Shelby’s City Park Pool Renovation Project: Ordinance No. 3-2024
- 3) Approval of a resolution accepting a dedication of land for the new location of County Home Road: Resolution No. 2-2024
- 4) Underground Electric Installation Projects FY24 (Villas at Kingsview):
  - a) Adoption of budget ordinance amendment for the City of Shelby’s Underground Electric Projects FY24 – Amendment #1: Ordinance No. 4-2024
  - b) Approval of a resolution awarding the construction contract for the Kingsview Subdivision Underground Electric Project: Resolution No. 3-2024



- 5) **Underground Electric Installation Projects FY24 (Willow Estates):**
  - a) **Adoption of budget ordinance amendment for the City of Shelby's Underground Electric Projects FY24 – Amendment #2: Ordinance No. 5-2024**
  - b) **Approval of a resolution awarding the construction contract for the Willow Estates Subdivision Underground Electric Project: Resolution No. 4-2024**
- 6) **Seattle Crossing Subdivision Underground Electric Installation Project:**
  - a) **Adoption of budget ordinance amendment for the City of Shelby's Seattle Crossing Underground Electric Project – Amendment #1: Ordinance No. 6-2024**
  - b) **Approval of a resolution awarding the construction contract for the Seattle Crossing Subdivision Underground Electric Project: Resolution No. 5-2024**
- 7) **Approval of a resolution approving a financing agreement authorized by North Carolina General Statute 160A-20: Resolution No. 6-2024**
- 8) **City Of Shelby FY 2023-2024 Budget Ordinance Amendment: Ordinance No. 7-2024**
- 9) **Approval of a resolution and order to accept a memorial commemorating the 50 Greatest Men Basketball Players of Cleveland County at the Holly Oak Park Gymnasium: Resolution No. 7-2024**
- 10) **Recognition of Beth B. Beam, Finance Director, and the City of Shelby's Finance Department as recipients of the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association (GFOA) for the Fiscal Year ended June 30, 2022**
- 11) **Management Reports:**
  - a) **Monthly Financial Summary – November 2023**
  - b) **Sanitary Sewer Overflow Report**

**END OF CONSENT AGENDA**

**E. Unfinished Business:**

**None**

**F. New Business**

- 1) Approval of a resolution giving preliminary approval for the issuance of multifamily housing revenue bonds to finance the acquisition, rehabilitation and equipping of Laurel Hill Apartments: Resolution No. 8-2024**

**Mr. Howell introduced this preliminary resolution that would give approval for the issuance of multifamily housing revenue bonds. Mr. Howell stated the Laurel Hill Apartments are privately owned affordable housing and the City was approached by an affordable housing developer that wanted to purchase the Laurel Hill apartments and invest \$10 million in the apartments. Mr. Howell further stated the City acts as a conduit for the issuance of \$10 million in bonds which helps the developer take advantage of tax-exempt borrowing rates; this makes the project more affordable from a financial standpoint.**

**Mr. Lunsford commented that in order to take advantage of the tax-exempt status it has to come through a government entity, which would be the City of Shelby. Mr. Lunsford advised that the City's name will be on the bonds, but the City will not have any financial risk, and very little staff involvement. Mr. Lunsford also commented that the reason the developer has to go through the City is because the Housing Authority is a City department.**

**Mr. Howell concluded by stating the advantage of the City's involvement is the reinvestment of money in an already existing housing complex that is in need of rehabilitation.**

**ACTION TAKEN: Upon a motion by Mr. Webber, City Council voted unanimously to adopt Resolution No. 8-2024 entitled, "A RESOLUTION GIVING PRELIMINARY APPROVAL FOR THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS TO FINANCE THE ACQUISITION, REHABILITATION AND EQUIPPING OF LAUREL HILL APARTMENTS."**

- 2) Approval of a resolution authorizing execution of a pre-development agreement for the redevelopment of historic Webbley: Resolution No. 9-2024**

Mr. Howell gave some background on this item by stating the City received a directed grant included in the state budget at the request of Senator Ted Alexander for the acquisition and restoration of the home of former Governor O. Max Gardner. Mr. Howell introduced this resolution by stating outside consulting and assistance is needed to manage this project, and Development Finance Initiative (DFI) is capable and willing to provide these pre-development services. Mr. Howell said there are lots of questions that still need to be answered with this project; but he feels confident that DFI can assist in determining the end use of the property.

**ACTION TAKEN:** Upon a motion by Mr. Hopper, City Council voted unanimously to adopt Resolution No. 9-2024 entitled, “A RESOLUTION AUTHORIZING EXECUTION OF A PRE-DEVELOPMENT AGREEMENT FOR THE REDEVELOPMENT OF HISTORIC WEBBLEY.”

#### **G. City Manager’s Report:**

**Regarding 607 E. Grover Street property:** The City is now the owner of this property, and it will service future needs for any Water Treatment plant expansion, but for now it will be used for equipment storage.

**Regarding the RAISE grant:** Work continues on this grant application, and it will be submitted soon with a decision in late summer. If granted, the funds will be used to finish the remainder of the Rail Trail.

**Regarding Depot Park:** Engineering and design are underway; hoping to have it out for bid in February 2024.

**Regarding Council Retreat:** Mr. Howell reminded Council that the date is January 27<sup>th</sup> at the Earl Scruggs Center, a draft agenda will follow soon.

**Regarding County Home Road project:** This project will be moving forward towards the end of January with a possible completion date of May.

**Regarding Waiver of Liens:** Liens are put on properties for various reasons. Mr. Lunsford gave Council a synopsis of the lien statute. Mr. Howell gave an example of the County may own a property with tax liens and nuisance or minimum housing liens; the buyer can pay the tax liens, but the other liens may be substantial which makes the purchase less affordable. City Council does not have the authority to make the liens go away, but there are some options. The City could acquire the lot and then turn around and sell it, with some conditions that a home be built on it. In conclusion, the City does not

have the authority to waive liens, but other options may be discussed on a case-by-case basis.

Regarding the Outage Management system: We've had a significant failure with this system and the server that provides this service. We have a new server with a different operating system that should improve the system. Mr. Howell apologized for the inconvenience of this system not operating appropriately.

Regarding Council Chambers: Due to the busted waterline that saturated the carpet in the Council Chamber there will be new flooring, and hopefully an upgraded sound system and overall technology. More to follow on this project.

Regarding the Essentials of Local Government: The dates are February 15 – 16 in Asheville, please let Bre know if you want to attend so she can get you registered. Your two-hour Ethics class is included in this training session.

#### **H. Council Announcements and Remarks:**

Mayor Anthony mentioned the Martin Luther King, Jr. events that are scheduled this weekend and on Monday. Also, the Earl Scruggs benefit concert is this weekend.

#### **I. Closed Session:**

- 1) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including on a tentative list of economic development incentives that may be offered by the public body in negotiations pursuant to North Carolina General Statute 143-318.11(a)(4).

**ACTION TAKEN:** Mr. Hopper made a motion to enter a closed session pursuant to the appropriate North Carolina General Statutes as cited. Mayor Anthony invited all Council members present, along with Mr. Howell, Mr. Lunsford, Mr. Longino, Mr. Yarboro, Mrs. Williams and Mrs. Jones to attend. The motion passed unanimously, and Council moved into closed session at 8:09 p.m.

At the conclusion of the Closed Session item, Ms. Arth made a motion for City Council to return to the regular session at 8:19 p.m. and seal the minutes.

**J. Adjournment:**

**1) Motion to adjourn**

**ACTION TAKEN:** Upon a motion made by Ms. Arth, City Council voted unanimously to adjourn the meeting at 8:20 p.m.

**Respectfully submitted,**

**Carol Williams  
City Clerk**

**O. Stanhope Anthony, III  
Mayor**

**Minutes of January 8, 2024**