

MINUTES

Regular Meeting of Shelby City Council
Don Gibson Theatre

May 20, 2024
Monday, 6:00 p.m.

Present: Mayor O. Stanhope Anthony, III, presiding; Council Members Andrew L. Hopper, Sr., David Causby, Charles Webber, Violet Arth, David White, 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, 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, Economic Developer Brandon Ruppe, and Jennipher H. Harrill, Social Media Manager, Blue Eyes Media Connections

Absent: Deputy City Clerk Breanna Jones

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

Mr. Webber led the Pledge of Allegiance.

A. Approval of agenda:

- 1) Motion to adopt the proposed agenda presented.

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

B. Public Comment:

None

C. Public Hearing:

- 1) Consideration of two resolutions regarding Laurel Hill Apartments:

- a) Approval of a resolution approving financing team and making certain findings with respect to the issuance of Multifamily Housing Revenue Bonds for Laurel Hill Apartments: Resolution No. 36-2024

b) Approval of a resolution authorizing the issuance and sale of Multifamily Tax-Exempt Bonds (Fannie Mae MBS-Secured) (Laurel Hill Apartments), Series 2024: Resolution No. 37-2024

Jason Lunsford, City Attorney presentation:

- The City previously approved a resolution giving preliminary approval to issue revenue bonds that will be used by the developer in rehabilitating Laurel Hill Apartments; essentially, authorizing the City to be the bond conduit of the revenue bonds.
- The two current resolutions state the findings with respect to the issuance of the bonds and authorize the City to act as the conduit under the Housing Authority.
- The City bears no financial responsibility, the City is just the issuer of bonds which cannot exceed \$10 million.

Connor Crews, Bond Counsel, McGuire Woods LLP:

- The Findings Resolution (No. 36-2024) is required because the term of the bonds exceeds five years and when that is the case the Local Government Commission has to approve that issuance. The City has to make certain findings which are stated in the Resolution.

Mayor Anthony opened the public hearing at 6:06 p.m. and the public offered no comments.

Mayor Anthony closed the public hearing at 6:07 p.m.

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to approve Resolution No. 36-2024 entitled, "A RESOLUTION APPROVING FINANCING TEAM AND MAKING CERTAIN FINDINGS WITH RESPECT TO THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR LAUREL HILL APARTMENTS" and Resolution No. 37-2024 entitled, "A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF MULTIFAMILY TAX-EXEMPT BONDS (FANNIE MAE MBS-SECURED) (LAUREL HILL APARTMENTS), SERIES 2024."

- 2) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcels 30176, 30181, 30190, 30191: Ordinance No. 39-2024**

Justin Longino, Assistant City Manager presentation:

- Applicant wishes to amend the zoning district from R10 to CPD (Corridor Protection District) to allow for commercial uses.
- Combined the parcels are approximately 1.72 acres and currently undeveloped.
- CPD is consistent with the surrounding area, and consistent with the Future Land Use Map.
- Staff and Planning Board recommends the approval of the rezoning.

Mayor Anthony opened the public hearing at 6:10 p.m.

Don Peeler who resides at 101 Apple Hill Drive, Shelby, North Carolina, spoke as the real estate broker involved in this proposed zoning amendment. Mr. Peeler stated the owner wishes to build a convenient store and gas station on these parcels with the business fronting South Lafayette Street, and no plans for commercial development on Oxford Circle.

Lauren Dixon who resides at 1753 S. Lafayette Street, Shelby, North Carolina spoke against the proposed zoning amendment. Ms. Dixon stated

- Her great grandfather built her house, she hopes to pass it on to her children, there's sentimental value to her home.
- She already has to pick up trash in her yard from The Dollar General being on another corner nearby.
- She doesn't see the need for another gas station and convenience store since there's a gas station down the street and The Dollar General across the street.

Tucker King who resides at 1753 S. Lafayette Street, Shelby, North Carolina spoke against the proposed zoning amendment. Mr. King stated he moved here from Chicago and enjoys the trees and nature in the area. Mr. King stated there is also a cemetery nearby and didn't think it was appropriate to have a gas station next to the cemetery.

Mr. Lunsford reminded City Council that even though Mr. Peeler stated what the developer plans to build, once the property is rezoned it opens the property up to many uses. Ms. Arth listed several permitted uses under the Corridor Protection District. Mr. Webber wondered about keeping the aesthetics conducive to the area. Mr. Lunsford stated this is not a conditional rezoning.

Mayor Anthony closed the public hearing at 6:15 p.m.

ACTION TAKEN: Upon a motion made by Mr. White, City Council

voted 4 – 2 (Arth, Bullock opposed) to approve Ordinance No. 39-2024 entitled, “A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA FOR PARCELS 30176, 30181, 30190, 30191 due to it being consistent with the Shelby’s adopted comprehensive plan and based on an approval from the planning board; this zoning request is reasonable because the adjacent property is also zoned CPD and it is consistent with the future land use plan; this rezoning would be consistent with the surrounding area and reasonable given the present commercial uses within the area and the Zoar Baptist Church to the North.”

3) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for parcels 20448 and 20453: Ordinance No. 40-2024

Justin Longino, Assistant City Manager presentation:

- Applicant wishes to amend the zoning district from R8 to General Business (GB) at 900 Mark Drive, Shelby, North Carolina.
- Maranatha Baptist Church and the church parsonage are on the two parcels which consist of approximately 2.41 acres and are located in the Corridor Revitalization Area.
- General Business zoning district is consistent with the surrounding area, and consistent with the Future Land Use Map.
- Staff and Planning Board recommends the approval of the rezoning.

Mayor Anthony opened the public hearing at 6:25 p.m.

James Davidson who resides at 1513 Rhyne Street, Shelby, North Carolina is the applicant and pastor of Maranatha Baptist Church. Mr. Davidson stated the reason for the zoning amendment request is so the church can erect an antenna for a low power FM radio station. Mr. Davidson said the church has already obtained the FCC permit.

Mayor Anthony closed the public hearing at 6:27 p.m.

ACTION TAKEN: Upon a motion made by Mr. Causby, City Council voted unanimously to approve Ordinance No. 40-2024 entitled, “A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA FOR PARCELS 20448 AND 20453 located at 900 Mark Drive due to it being consistent with Shelby’s adopted comprehensive plan and based on an approval from the planning board.”

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 May 6, 2024**
- 2) Approval of Special Event applications:**
 - a) First Friday at Greenbrook Design, requested date: June 7, 2024**
- 3) Management Reports:**
 - a) Planning Report – March/April 2024**
 - b) Raper-Roark Report – April 2024**

END OF CONSENT AGENDA

E. Unfinished Business:

None

F. New Business

- 1) Consideration of appointments to City advisory boards and commissions:**
 - a) Alcoholic Beverage Control Board**

Mayor Anthony reported that David Schweppe is up for reappointment and wishes to continue to serve. There are twelve applications on file in the Clerk's office.

Mayor Anthony opened the floor for nominations:

- Mr. Webber nominated Phil Reid**
- Ms. Arth nominated Mark Turner**
- Mr. White nominated David Schweppe**

Mr. Reid received one vote (Webber)

Mr. Turner received two votes (Arth, Hopper)

Mr. Schweppe received three votes (White, Bullock, Causby).

Second Round of Voting: The recipient of the least amount of votes was removed (Phil Reid) from the second round of voting.

**Mr. Schweppe received three votes (White, Bullock, Causby)
Mr. Turner received three votes (Arth, Hopper, Webber)
Mayor Anthony voted for Mr. Turner, breaking the tie (4 – 3).**

Mr. Turner was appointed to the Alcoholic Beverage Control Board for a three-year term, concluding in April 2027.

G. City Manager's Report:

Mr. Howell stated the budget for 2024-2025 documents will be published on the City's website by Wednesday afternoon and the Public Hearing for the budget is scheduled for June 3, 2024.

The budget outlines all the expenditures and the revenues for each operating fund of the City. The overall budget for 2024-2025 is \$104,713,489. The tax rate is set to stay at 51.75 cents per \$100 valuation.

The primary driver on the spending side are wages and a salary increase which consists of 2.5% for all city employees in July, and an additional 2% for all city employees in January, 2025.

In addition, 5% salary market adjustments will be made to sworn police, and Water Resources staff and a 10% salary market adjustment will be made to IT staff. No additional market increase in Electric due to significant increases two years ago.

The City will also see a 6% increase overall in health insurance costs.

Mr. Howell concluded by stating his budget message, the budget ordinance and supplemental budget ordinance will be published on the website. Line-item budgets will also be available for public inspection.

H. Council Announcements and Remarks:

Mayor Anthony mentioned on May 21st the groundbreaking for the new Cleveland County Justice Center will be at 4:00 p.m.

On Saturday, May 25th the Firefighter Memorial Service will be at the Fallen Heroes Memorial at Raper-Roark Park at 12:00 p.m. This will be the 45th anniversary of the Uptown Shelby fire.

I. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to adjourn the meeting at 6:40 p.m.

Respectfully submitted,

**Carol Williams
City Clerk**

**O. Stanhope Anthony, III
Mayor**

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