



**KANNAPOLIS CITY COUNCIL  
MEETING AGENDA  
Kannapolis City Hall  
401 Laureate Way, Kannapolis NC  
August 28, 2017  
6:00 PM**

**Please turn off cell phones or place on silent mode.**

**CALL TO ORDER AND WELCOME**

**MOMENT OF SILENT PRAYER AND PLEDGE OF ALLEGIANCE**

**ADOPTION OF AGENDA - Motion to Adopt Agenda or make revisions**

**APPROVAL/CORRECTION OF MINUTES**

1. July 24, 2017 Meeting Minutes
2. August 14, 2017 Meeting Minutes
3. Closed Session Minutes August 14, 2017

**CONSENT AGENDA - Motion to Adopt Consent Agenda or make revisions**

1. **Motion to award the Northwest Service District - Contract 2 Booster Pump Station to the lowest responsible bidder and authorize the City Manager to execute contract)** Wilmer Melton, III, Director of Public Works
2. **Motion to approve an amendment to the Capital Project Ordinance for the Davidson Road Water Main** (Eric Davis, Finance Director)
3. **Motion to approve a Resolution authorizing an Installment Financing Contract and Deed of Trust** (Eric Davis, Finance Director)
4. **Motion to approve a Bond Order authorizing the issuance or no more than \$7,000,000 in Water & Sewer Revenue Bonds** (Eric Davis, Finance Director)
5. **Resolution to Purchase Land for Relocation of Rowan Cabarrus Community College** (Mike Legg, City Manager)
6. **Budget Ordinance Amendment** (Eric Davis, Finance Director)

**BUSINESS AGENDA**

- A. **Update on the North Carolina Department of Transportation Projects** (Wilmer Melton, III, Director of Public Works)
- B. **Motion to approve the recommended FY 2017-18 CDBG Non-profit Grants** (Sherry Gordon, Community Development Administrator)
- C. **1. Public Hearing for Case #TA 2017-06;  
2. Motion to Adopt a Statement of Consistency;  
3. Motion to adopt Ordinance to amend the UDO Text for the following sections for**

**UDO ; Table 4.6-1, Principal Uses Permitted in Zoning Districts; add Section 5.36, Outdoor Banquet Facilities; add definition outdoor banquet facilities Appendix A, definitions regarding defining outdoor banquet facilities allowing conditional use in certain zoning districts (Zachary D. Gordon, Planning Director)**

- D. 1. Public Hearing for Case #TA 2017-07;  
2. Motion to adopt a Statement of Consistency;  
3. Motion to adopt Ordinance to amend the UDO Text for the following sections of the UDO; Table 4.6-1, Principal Uses Permitted in Zoning Districts; and add a definition for stadium uses to Appendix A, Definitions regarding defining stadiums and allowing as a permitted use in the CC (Center City) zoning district (Zachary D. Gordon, Planning Director)**
- E. Hold Public Hearing and consider adopting an Ordinance for Demolition of structure at 915 Rochelle Street- Continued from August 14, 2017 (Zachary D. Gordon, Planning Director)**

### **CITY MANAGER REPORT**

### **CITY COUNCIL COMMENTS**

### **SPEAKERS FROM THE FLOOR**

In order to speak to Council, please fill out a white card and return to the City Clerk. Cards may be found on the table at the back of the room. Please limit comments to 3 minutes.

### **CLOSED SESSION**

**GS. 143-318.11 (a) (3) to consult with an attorney in order to preserve the attorney-client privilege, G.S. 143-318.11 (a) (6) for the purpose of discussing personnel matters and G.S. 143.318.11 (a) (4) for discussing matters relating to the location or expansion of industries or businesses in the area (Mayor Pro tem Wilson)**

### **ADJOURN**

### **UPCOMING SCHEDULE**

September 11, 2017  
September 25, 2017  
October 9, 2017  
October 23, 2017

In accordance with ADA regulations, anyone in need of an accommodation to participate in the meeting should notify the ADA coordinator at [tcline@kannapolisnc.gov](mailto:tcline@kannapolisnc.gov) or 704-920-4302 at least forty-eight (48) hours prior to the meeting.

**CITY OF KANNAPOLIS  
COUNCIL MEETING MINUTES  
July 24, 2017**

A regular meeting of the City Council of the City of Kannapolis, North Carolina was held on Monday, July 24, 2017 at 6:00 p.m., at the Kannapolis City Hall located at 401 Laureate Way, Kannapolis, NC.

**CITY COUNCIL MEMBERS PRESENT:**

Mayor: Milton D. Hinnant

Council Members: Darrell Jackson  
Roger Haas  
Tom Kincaid  
Doug Wilson  
Ryan Dayvault  
Dianne Berry

Council Members Absent: None

City Manager: Mike Legg

Deputy City Manager: Eddie Smith

City Attorney: Walter M. Safrit, II

Staff Present:	Wilmer Melton	Annette Privette-Keller
	Zac Gordon	Tony Eury
	David Hancock	Terry Clanton
	Sherry Gordon	Trent Marlow
	Irene Sacks	Ernie Hiers

Visitors:	Grace Lowery	Van Rowell
	Bobbi Hague	Mark Spitzer
	Dr. Chip Buckwell	Anita Parker
	Tommy Bennett	Haley Hassler
	Dean Slate	Van Rowell
	Brian Rabom	Nate Doolittle
	Tommy Bennett	Richard Petersheim

**CALL TO ORDER AND WELCOME:**

Mayor Hinnant called the meeting to order and welcomed those in attendance. A moment of silent prayer and the Pledge of Allegiance was led by Council Member Dayvault.

**ADOPTION OF AGENDA:**

Mayor Pro tem Wilson made a motion to adopt the agenda. Motion was seconded by Council Member Dayvault and approved by unanimous vote.

1 **APPROVAL OF MINUTES:**

2 Council Member Kincaid made motion to approve the June 12, 2017 meeting minutes. Council  
3 Member Berry seconded the motion and it was approved by unanimous vote.

4  
5 **CONSENT AGENDA:**

6 Council Member Jackson made a motion to approve the Consent Agenda. Council Member  
7 Jackson seconded the motion and it was approved by unanimous vote.

8  
9 Second Amendment to Declaration of Covenants for Second Creek Property (Mike Legg, City  
10 Manager and Walter M. Safrit, II, City Attorney) (Copy included as Exhibit A)

11  
12 Public Works Operations Center Parking Lot Resurfacing Contract (Wilmer Melton, III, Director  
13 of Public Works) (Copy included as Exhibit B)

14  
15 Northwest Service District Contract 1 – Water Mains (Wilmer Melton, III, Director of Public  
16 Works) (Copy included as Exhibit C)

17  
18 Adoption of Resolution Amending Chapter 9, by the addition of Article IX, Alcoholic Beverages  
19 (Walter M. Safrit, II, City Attorney) (Copy included as Exhibit D)

20  
21 **BUSINESS AGENDA:**

22 **Public Hearing for Use of CDBG Program Funds FY 2017-18 (Sherry Gordon, Community**  
23 **Development Program Administrator) (Copy included as Exhibit E)**

24 Mrs. Gordon explained that each year the City must present within its Annual Action Plan  
25 submittal to HUD a defined work program for the funding level being sought. The City will  
26 submit its action plan to HUD by August 16, 2017. The plan is being made available to the  
27 public for a 15-day period will end on July 28, 2017.

28  
29 The public hearing allows the City to receive citizens' comments or questions on the use of FY  
30 17-18 Community Development Block Grant (CDBG) funds. The City held a public hearing on  
31 April 24, 2017 but needs to hold a public hearing again due to change in allocation amount and  
32 HUD's delayed release of the annual allocations. The City expects to receive \$336,305 in CDBG  
33 funds in FY 2017-18 (July 1, 2017 - June 30, 2018). It is recommended that the following  
34 activities be undertaken with the FY 2017-18 funds:

35  
36 **Proposed Expenditures**

37	Infrastructure Improvements	\$ 89,434
38	Demolition	\$ 20,000
39	Urgent Repair	\$ 50,000
40	Section 108 Loan Repayment	\$ 59,610
41	Public Service	\$ 50,000
42	General Admin/Fair Housing	<u>\$ 67,261</u>
43	<b>TOTAL</b>	<b>\$336,305</b>

44  
45 Council Member Kincaid asked how many applications were received. Mrs. Gordon replied  
46 there were 27 applications totaling around \$227,000 request for funding. The City is only  
47 allowed to allocate 15% toward public service projects.



1 Council Member Dayvault asked about the demolition funds from the CDBG showing \$20,000.  
2 He asked what additional monies are being put toward this fund. Mr. Legg responded that  
3 \$60,000 has been set aside in addition to the \$20,000.

4  
5 There being no further questions, Mayor Hinnant then opened the public hearing to those in  
6 attendance for an opportunity to speak. There being no speakers, Mayor Hinnant closed the  
7 public hearing.

8  
9 Council Member Kincaid made a motion to approve the use of CDBG Program Funds as  
10 presented. Motion was seconded by Mayor Pro tem Wilson and approved by unanimous vote.

11  
12 **Public Hearing for Use of HOME Program Funds for FY 2017-18 (Sherry Gordon,**  
13 **Community Development Program Administrator) (Copy included as Exhibit F)**

14 Mrs. Gordon explained that the City is anticipating receiving \$99,800 from the  
15 Cabarrus/Iredell/Rowan HOME Consortium for Fiscal Year 2017-18 (July 1, 2017 - June 30,  
16 2018). A twenty-five percent (25%) in local match is required to receive these funds and will be  
17 provided by carryover funds from previous year projects with Habitat for Humanity & CCM.

18  
19 The City of Kannapolis joined the HOME Consortium in 2002 to receive these Entitlement  
20 HOME funds. The HOME program is a housing program under HUD with an emphasis  
21 primarily on affordable housing in which low to moderate income citizens must benefit. The City  
22 is required to conduct a public hearing to receive citizen comments and questions about the use  
23 of HOME funds each year. The City of Concord, lead agent for the Consortium, will then submit  
24 the annual action plan for the HOME program to HUD by Aug. 16, 2017.

25  
26 The City held a public hearing on March 27, 2017 but needs to hold it again due to the City held  
27 a public hearing on March 27, 2017 but needs to hold it again due to the delayed release of HUD  
28 allocation amounts and due to the change in the proposed use of funds.

29  
30 The City of Kannapolis will use the FY 2017-18 allocation to partner with Prosperity Unlimited,  
31 Inc. and Wesley Community Development Corporation to construct a senior housing project at  
32 104 N. Little Texas Rd. that will consist of 60 units for low income senior citizens age 55 and  
33 older.

34  
35 The units will consist of 40 one bedrooms and 20 two bedrooms. Six of the unit will be fully  
36 ADA compliant. The alternative plan, if Prosperity Ridge is not ready to proceed is to provide  
37 homeowner rehab to those currently on our waiting list.

38  
39 Council Member Dayvault asked if 104 N. Little Texas was the same property for a project they  
40 have been talking about. Mr. Legg responded that it was a different property.

41  
42 City Attorney Safrit opined if the address is incorrect, the process would have to be repeated.  
43 Mrs. Gordon responded that is the address that was given to them. Mayor Hinnant asked how  
44 critical would it be to postpone action to the August 10 meeting. Mrs. Gordon responded that the  
45 report has to be submitted to HUD by August 16.

46  
47 City Manager Legg suggested that Council postpone taking action and allow Planning Director  
48 Gordon verify the address.

1 Mayor Hinnant then opened the public hearing to those in attendance for an opportunity to speak.  
2 There being no speakers, Mayor Hinnant closed the public hearing. Rather than taking action at  
3 this time, Council proceeded to the next agenda item.

4  
5 **Kannapolis City Schools Presentation on the Restart Program (Dr. Chip Buckwell,**  
6 **Superintendent, Kannapolis City Schools) (Copy included as Exhibit G).**

7 In an effort to improve student performance and better manage growing financial challenges,  
8 Kannapolis City Schools has entered into the Restart Program, a state sponsored effort designed  
9 to give schools systems more "charter-like" flexibility in administering their educational  
10 responsibilities. To be eligible, the schools must have been low-performing for two of the past  
11 three years. Dr. Chip Buckwell, Superintendent at KCS, presented an overview of this program  
12 and how it will impact students and the community.

13  
14 Demographics show 38% White, 28% African-American and 31% Latino. Beginning in August  
15 of 2017, Kannapolis City Schools will move to a new grade configuration. Currently, KCS has  
16 five elementary schools (grades K - 4), one intermediate school (grades 5 & 6), one middle  
17 school (grades 7& 8), and one high school (grades 9-12). In 2017, KCS will shift to a more  
18 traditional grade configuration that includes six elementary schools with grades kindergarten  
19 through five, a middle school with grades six through eight, and a high school with grades nine  
20 through twelve. KCS is seeking input from families about the possibility of starting a  
21 magnet program at G.W. Carver Elementary School.

22  
23 The new grade pattern will be possible because KCS is constructing a new building next to  
24 Kannapolis Middle School. When that building opens in 2017, Kannapolis Middle School will  
25 expand to include three grade levels instead of two. In addition, Kannapolis Intermediate School  
26 will convert from a fifth and sixth grade building into a K-5 elementary school. It will become  
27 the district's sixth elementary school, and its name will change to G.W. Carver Elementary.

28  
29 KCS will launch three new magnet programs beginning in August of 2017. The programs will be  
30 located at G.W. Carver Elementary School and Fred L. Wilson Elementary School. Magnet  
31 schools offer special courses or programs and are open to students from across the school  
32 district. After visiting other magnet programs and getting input from parents, community, and  
33 staff, KCS has chosen three magnet programs to begin in 2017, A+ Art Academy, Global Studies  
34 Magnet Program and Splash Spanish Language Immersion Program.

35  
36 Following general discussion, Mayor Hinnant thanked Dr. Buckwell for his presentation.

37  
38 **Motion on Use of HOME Program Funds for FY 2017-18**

39 Mr. Legg explained the 104 N. Little Texas address has been confirmed as correct.

40  
41 Council Member Haas made a motion to approve the HOME Program Funds for FY 2017-18  
42 (Pin #5623-47-1257-0000). Motion was seconded by Council Member Kincaid and approved by  
43 unanimous vote.

44  
45 **Downtown Infrastructure and Streetscape Project - Phase 1 Bid Package Guaranteed**  
46 **Maximum Price (GMP) (Wilmer Melton, III, Director of Public Works) (Copy included as**  
47 **Exhibit H)**

1 The Kannapolis Downtown Infrastructure & Streetscape - Phase 1 Project will include the  
2 installation of new underground power distribution pathways from Vance Street to Laureate  
3 Way, and Main Street to Oak Avenue/Chestnut Avenue. Phase 1 also includes demolition, select  
4 tree removal and tree protection, temporary site fencing, and temporary parking modifications.  
5 This phase is slated to begin in August 2017 with completion in January 2018.

6  
7 Richard Petersheim of Land Design presented highlights of the downtown infrastructure and  
8 streetscape project-Phase I.

9  
10 A major component of the Kannapolis Downtown Revitalization Plan is the replacement of  
11 infrastructure and the related streetscape improvements planned for West Avenue and the  
12 surrounding streets. Phase One components include:

- 13
- 14 • Removal of overhead power lines and installation of new underground electricity
- 15 ductwork from Vance Street to Laureate Way and Main Street to Oak
- 16 Street/Chestnut Avenue.
- 17 • Demolition of the former K-Town Furniture Building which is the future site of
- 18 the sports
- 19 • and entertainment venue.
- 20 • Measures to protect trees on West Avenue as well as the removal of certain trees
- 21 which
- 22 • have aged and are unhealthy.
- 23 • Construction and fencing
- 24 • Restriping of various streets and parking lots which will not be part of the
- 25 construction zone in order to maximize parking availability during the
- 26 construction phase.
- 27

28 The components of Phase One will begin in August and will be led by the Barton Malow  
29 Company. The cost is estimated to be \$2,486,662. The Phase One work will be completed by  
30 January 2018 when Phase Two of the project is slated to start. Phase Two is the actual  
31 construction of all streetscape and infrastructure improvements

32  
33 An additional amendment for the Phase 2 GMP of the project is likely to be presented to City  
34 Council at the November 27, 2017. This final phase of the project includes storm  
35 water/water/sanitary sewer line replacement, sidewalks, plazas, landscaping, traffic and signal  
36 improvements, water features, new street lighting, restroom/pump house building, additional  
37 electric duct banks, and telecom improvements. Phase 2 is scheduled to begin in January 2018  
38 with completion in April 2019.

39  
40 The aforementioned work will be funded from interim financing to facilitate the initial  
41 Downtown infrastructure work. The original contract amount was \$140,000, with the amended  
42 contract Phase 1 GMP \$2,486,662. Making the new contract amount including this change order  
43 \$2,626,662.

44  
45 While the most visible piece of the project will be the streetscape, the most important and  
46 complex part of the project is the infrastructure. Everything from water, sewer, natural gas,  
47 electricity, storm water, Wi-Fi, other technologies and more have to be taken into consideration  
48 and planned for.

1 Following general discussion, Council Member Dayvault made a motion to amend the City's  
2 contract with Barton Malow Company to include the Phase 1 Downtown Infrastructure and  
3 Streetscape Guaranteed Maximum Price (GMP) in the amount of \$2,486,662 and authorize the  
4 City Manager to execute contract. Motion was seconded by Mayor Pro tem Wilson and approved  
5 by unanimous vote.  
6

7 **Resolution relating to Agreement for Construction of Road Improvements at Glen Afton**  
8 **Boulevard (Mike Legg, City Manager and Walter M. Safrit, II, City Attorney) (Copy**  
9 **included as Exhibit I)**

10 Elm Partners, a local developer, proposes the construction of an approximately two (2) acre  
11 commercial and retail development to be commonly referred to with the working name "Shops at  
12 Afton" (referred to herein as the "Project"), located on the north side of Kannapolis Parkway, a  
13 North Carolina Department of Transportation ("NCDOT") maintained roadway, at its with Glen  
14 Afton Boulevard, in the City of Kannapolis. The Project will require the construction of certain  
15 road and signalization improvements to Kannapolis Parkway and the construction of a proposed  
16 new six-lane divided public street with related infrastructure improvements, which new  
17 construction shall be an extension of Glen Afton Boulevard across Kannapolis Parkway, all as  
18 shown on Exhibit A, which is attached hereto.  
19

20 Real property for the Road Improvements will be comprised of land from within the Project and  
21 land currently within City or NCDOT road right of way (the "City Land"). The Road  
22 Improvements will improve access by motorists in the eastern portion of the City. Elm Partners  
23 will be responsible for preparing all plans and specifications necessary for the Road  
24 Improvements consistent with the terms of this Agreement, and shall further be responsible for  
25 constructing the Road Improvements at its expense. However, the City will be obligated to  
26 reimburse Elm Partners for upgrades and improvements desired and required by the City for a  
27 sum not to exceed \$150,000. The City will constitute a sum not to exceed \$150,000 towards the  
28 road improvements and for upgrades and additions required by City. Road construction and  
29 reimbursement agreements for Capital Improvement Projects are typical  
30

31 City functions. Reimbursement agreements for road improvement projects are permitted  
32 pursuant to NCGS 160A-499.  
33

34 Council Member Haas made a motion to approve a Resolution relating to Agreement for  
35 Construction of Road Improvements at Glen Afton Boulevard. Motion was seconded by Council  
36 Member Berry and approved by unanimous vote.  
37

38 **Public Hearing on Text amendments to Unified Development Ordinance (UDO) -Article 8,**  
39 **Article 10, and Article 11, pertaining to development and minor plat infrastructure**  
40 **improvements (Zachary D. Gordon, AICP, Planning Director) (Copy included as Exhibit J)**

41 Mr. Gordon explained that Article 3.8 of the UDO addresses the procedure for processing  
42 amendments to the text of the ordinance. Per Section 3.8.2, "*Any person, board, department, or*  
43 *commission may apply for a change in zoning ordinance text*". The proposed text amendments  
44 were initiated by the Planning Department in order to provide the development community with  
45 clear expectations of street, curb, gutter, and sidewalk improvements that will be required for  
46 developments and minor plats.  
47

1 Currently the UDO includes requirements for most development projects and the subdivision of  
2 land to provide curb and gutter, sidewalk, and to dedicate any required right-of-way to the City.  
3 These requirements for improvements are broad and delegate approval for such improvements to  
4 the Director of Public Works. The current standards (based on future street cross sections and if  
5 adjacent properties have curb and gutter and sidewalk), are not known by a developer prior to  
6 submitting an application for development. This uncertainty prior to submitting a development  
7 application can cause unexpected delays and expenses during the development review and  
8 approval process.

9  
10 In order to address the uncertainty of what level of improvements are required for a development  
11 project, the Public Works Director has adopted a policy that clearly states what improvements  
12 are required for a development based upon the existing conditions of the adjacent right-of-way as  
13 well as planned improvements by NCDOT or the City. At a minimum, the applicant shall  
14 dedicate the needed right-of-way for the street classification designated by the City or NCDOT.

15  
16 The proposed text amendments state that new development and minor subdivisions shall be  
17 required to provide right-of-way improvements as required by the policy on file with the Public  
18 Works Director. The amendment includes several sections of the UDO which address required  
19 street and sidewalk improvements for multi-family and non-residential projects (Article 8),  
20 subdivisions (Article 10), multi-family and superstores/shopping centers (Article 11). This  
21 amendment also updates the title of the Public Works Director, removing references with the  
22 non-existent Director of Transportation and replacing with Public Works Director. At their June  
23 7, 2017 meeting, the Planning and Zoning Commission unanimously recommended approval of  
24 the proposed text amendments.

25  
26 Planning staff concurs with the recommendation of the Planning and Zoning Commission and  
27 recommends approval of the proposed text amendments to Article 8, Section 8.1.2.K; Article 10,  
28 Section 10.1.2.2 and Section 10.1.2.3; and Article 11, Section 11.2.7.2 and Section 11.3.4.1.1 of  
29 the UDO as presented. The City Council may choose to either approve, or deny the text  
30 amendment as presented. City Council may also add, delete, or change any of the language as  
31 proposed.

32  
33 Mayor Hinnant then opened the public hearing to those in attendance for an opportunity to speak.  
34 There being no speakers, Mayor Hinnant closed the public hearing

35  
36 Council Member Jackson made a motion to adopt a Resolution to Adopt a Statement of  
37 Consistency as follows: *the City Council finds the text amendment as represented in Case TA-*  
38 *2017-04 to be in the public interest, reasonable and consistent with the 2015 City of Kannapolis*  
39 *Land Use Plan adopted by the City Council, and is recommended for approval by the City*  
40 *Council based on consideration of the application materials, information presented at the Public*  
41 *Hearing, and the recommendation provided by Staff.* Motion was seconded by Mayor Pro tem  
42 Wilson and approved by unanimous vote.

43  
44 Council Member Dayvault made a motion to approve an Ordinance amending the text to Unified  
45 Development Ordinance (UDO) -Article 8, Article 10, and Article 11, pertaining to development  
46 and minor plat infrastructure improvements. Motion was seconded by Council Member Berry  
47 and approved by unanimous vote.

**Public Hearing for Text Amendment TA 2017-05 - Table 8.3-2, Parking Area Dimensional Standards, and Section 8.3.2.B, Compact Car Spaces of the Unified Development Ordinance (UDO) (Copy included as Exhibit K)**

Mr. Gordon explained that Article 3.8 of the UDO addresses the procedures for processing amendments to the text of the ordinance. Per Section 3.8.2, “*Any person, board, department, or commission may apply for a change in zoning ordinance text*”. The proposed text amendment was initiated by the Planning Department in order to address the need for greater flexibility in the application of parking standards and to modernize the City’s parking regulations with commonly accepted practices for parking space dimensions and use of compact car parking spaces.

Currently the UDO requires a minimum width of 9 feet for all off-street parking spaces. The proposed amendment to Table 8.3-2 would allow a minimum width of 8.5 feet within parking structures in the CC (Center City) district. The UDO already exempts most parcels in the CC district from minimum parking requirements in order to promote pedestrian friendly development. While 9 feet wide spaces are the most common standard in the United States, several North Carolina communities, including Charlotte, Huntersville, and Carrboro allow for spaces 8.5 feet wide throughout their communities and in all cases. The proposed amendment would limit the reduced width to only the CC district and only in parking structures.

The proposed amendment to Section 8.3.2.B would modernize the City’s compact parking standards. Currently the UDO limits the allowance of compact parking to shopping centers and superstores over 25,000 square feet and no more than 20 percent of the overall required parking. The proposed amendment would eliminate the use limitation and keep the 20 percent cap. The City of Concord has removed the use limitation from their ordinance, capping the number of spaces at 20 percent, for parking lots of 100 spaces or more. The American Planning Association’s model code for compact parking includes a percent cap, but does not include any use standards. This proposed amendment would better reflect the current development trend away from larger shopping centers to smaller neighborhood commercial centers. At their July 12, 2017 meeting, the Planning and Zoning Commission unanimously recommended approval of the proposed text amendments.

Planning staff concurs with the recommendation of the Planning and Zoning Commission and recommends approval of the proposed text amendments to Table 8.3-2, Parking Area Dimensional Standards, and Section 8.3.2.B, Compact Car Spaces, as presented. The City Council may choose to either approve, or deny the text amendment as presented. City Council may also add, delete, or change any of the language as proposed.

Mayor Hinnant then opened the public hearing to those in attendance for an opportunity to speak. There being no speakers, Mayor Hinnant closed the public hearing

Council Member Kincaid made a motion to approve a Resolution to adopt a Statement of Consistency as follows: City Council finds the text amendment as represented in Case TA-2017-05 to be consistent with the City of Kannapolis 2015 Land Use Plan adopted by the City Council, reasonable and in the public interest, and is recommended for approval by the City Council based on consideration of the application materials, information presented at the Public Hearing, and the recommendation provided by Staff. Motion was seconded by Council Member Dayvault and approved by unanimous vote.

1 Council Member Kincaid made a motion to adopt an Ordinance to Amend Text of UDO, Table  
2 8.3-2, Parking Area Dimensional Standards, and Section 8.3.2.B, Compact Car Spaces, for Case  
3 # 2017-05 as recommended by the Planning and Zoning Commission. Motion was seconded by  
4 Council Member Berry and approved by unanimous vote.  
5

6 **CITY MANAGER REPORT:** City Manager reported that the NC Railroad has asked that  
7 paperwork regarding the quite zones be resubmitted. There is a 21 day notice; August 14 is the  
8 new target date. Mr. Legg reminded Council of the ABC Board seat that is still vacant. It was the  
9 consensus to keep the Kannapolis Christmas Parade route on Main Street. August 1 is the day of  
10 the christening of the new Kannapolis 1984 Locomotive. Also, it was learned that the Town of  
11 Cary also has a locomotive and a ceremony for both will be held back to back. National Night  
12 Out at Veterans Park will be held on August 1.  
13

14 **CITY COUNCIL COMMENTS:** Council Member Dayvault spoke on the reoccurring  
15 problems with Waste Management and felt they needed to be put on notice. Mr. Legg responded  
16 that Mr. Melton has talked with Waste Management and apparently there has been a significant  
17 change in leadership and feels Waste Management has heard the City. Changes are in the process  
18 and Mr. Legg will keep Council up to date.  
19

20 **SPEAKERS FROM THE FLOOR:**

21 Grace Lowery of 1011 Moss Avenue spoke on the ditch not being kept up. She said there are lot  
22 of trash in ditch and when it rains, her yard is washed away. When the trash is emptied, what is  
23 left in the cart goes into the ditch. Mayor Pro tem Wilson said that Ms. Lowery called her around  
24 a year ago and he found old TV's mattresses and it looked like a landfill. He had contacted Mr.  
25 Melton at that time.  
26

27 Tommy Bennett of 1009 Moss Avenue wondered what can be done to make Moss Avenue not  
28 private. Mayor Hinnant suggested that Mr. Bennett talk to Mr. Melton.  
29

30 There being no further business, Mayor Pro tem Wilson made a motion to adjourn the meeting.  
31 Motion was seconded by Council Member Dayvault and it was approved by unanimous vote.  
32

33 The meeting adjourned at 8:35 PM on Monday, July 24, 2017.  
34  
35  
36

37  
38 \_\_\_\_\_  
39 Bridgette Bell, MMC, NCCMC  
City Clerk

37  
38 \_\_\_\_\_  
39 Milton D. Hinnant  
Mayor

**CITY OF KANNAPOLIS  
COUNCIL MEETING MINUTES  
August 14, 2017**

A regular meeting of the City Council of the City of Kannapolis, North Carolina was held on Monday, August 14, 2017 at 6:00 p.m., at the Kannapolis City Hall located at 401 Laureate Way, Kannapolis, NC.

**CITY COUNCIL MEMBERS PRESENT:**

Mayor: Milton D. Hinnant

Council Members: Ryan Dayvault  
Darrell Jackson  
Tom Kincaid  
Doug Wilson  
Dianne Berry  
Roger Haas

Council Members Absent: None

City Manager: Mike Legg

Deputy City Manager: Eddie Smith

City Clerk: Bridgette Bell, MMC

City Attorney: Walter M. Safrit, II

Staff Present:	David Jordon	David Hancock
	Tony Eury	Tony Cline
	Zac Gordon	Wilmer Melton
	Trent Marlow	Terry Clanton
	Eric Davis	Annette Privette-Keller
	Gary Mills	Ernie Hiers

Visitors:	Van Rowell	Allen Livengood
	Jacob Livengood	Markus Deel
	Caleb Jackson	

**CALL TO ORDER AND WELCOME:**

Mayor Hinnant spoke out on last weekend's recent event Charlottesville, VA.

Mayor Hinnant called the meeting to order and welcomed those in attendance. A moment of silent prayer and the Pledge of Allegiance was led by Mayor Pro tem Wilson.

**ADOPTION OF AGENDA:**

Mayor Pro tem Wilson made a motion to approve the agenda. Motion was seconded by Council Member Kincaid and approved by unanimous vote.



1 **APPROVAL OF MINUTES:**

2 Council Member Jackson made a motion to approve the June 26, 2017 Regular meeting minutes.  
3 Motion was seconded by Council Member Haas and approved by unanimous vote.  
4

5 Council Member Dayvault made a motion to approve the July 10, 2017 Regular meeting  
6 minutes. Motion was seconded by Mayor Pro tem Wilson and approved by unanimous vote.  
7

8 Council Member Berry made a motion to approve the June 12, 2017 Closed Session minutes.  
9 Motion was seconded by Mayor Pro tem Wilson and approved by unanimous vote.  
10

11 Council Member Kincaid made a motion to approve the June 26, 2017 Closed Session minutes.  
12 Motion was seconded by Council Member Jackson and approved by unanimous vote.  
13

14 Council Member Haas made a motion to approve the July 10, 2017 Closed Session minutes.  
15 Motion was seconded by Council Member Kincaid and approved by unanimous vote.  
16

17 **CONSENT AGENDA:**

18 Council Member Dayvault made a motion to approve the Consent Agenda. Motion was seconded  
19 by Council Member Kincaid and approved by unanimous vote.  
20

21 Interlocal agreement for Tax Collection with Cabarrus County (Eric Davis, Finance Director)  
22 (Copy included as Exhibit A)  
23

24 Transfer of furniture to Kannapolis City Schools (Mike Legg, City Manager) (Copy included as  
25 Exhibit B)  
26

27 Contract for Engineering Services with Alley, Williams, Carmen and King, Inc. (AWCK) of  
28 Kannapolis for Fiscal Year 2017-18 and authorize the City Manager to execute the contract  
29 (Wilmer Melton, III, Director of Public Works) (Copy included as Exhibit C)  
30

31 Amend Bakers Creek Park Tennis Court Project Ordinance (Gary Mills, Director of Parks and  
32 Recreation) (Copy included as Exhibit D)  
33

34 **BUSINESS AGENDA:**

35 **Public Hearing regarding an Incentive for Personal Property Investments for Hercules II**  
36 **and approve a Resolution Granting Economic Development Incentive (Irene Sacks,**  
37 **Director of Economic & Community Development Robert Carney & Samantha Grass,**  
38 **Cabarrus Economic Development Corporation) (Copy included as Exhibit E)**

39 Robert Carney, Executive Director of the Cabarrus Economic Development Corporation  
40 explained that Amazon's new facility will be an \$85 million, one million square foot industrial  
41 building at 6501 Macedonia Church Road. The company anticipates creating a minimum of 600  
42 full-time jobs with benefits and average wages of \$31,140. It also plans to invest \$35 million in  
43 personal property, including racking and equipment  
44

45 The City's incentive grant will be spread out over three years and will be \$562,275 or 85% of the  
46 personal property taxes paid by the company during that timeframe. The effort to bring the firm  
47 to Kannapolis has been a joint partnership with Cabarrus County, Cabarrus County Economic  
48 Development Corporation and NCDOT. Cabarrus County Commissioners will consider

1 incentives for the company at its meeting on August 21. The incentives offered by both the City  
2 and County were crucial in recruiting Amazon to our City.

3 The company is requesting financial incentives from the City and Cabarrus County to land the  
4 project in Kannapolis. Staff and the Cabarrus EDC are proposing a grant of 3 years of 85% of the  
5 personal property taxes paid by the company, or \$562,275 total. The Cabarrus County Board of  
6 Commissioners will consider this project grant at its August 21 meeting.

7  
8 The net amount of tax revenue that the City anticipates collecting during this three-year period is  
9 \$99,225. After the 3rd year, full annual tax revenues of \$220,500 are expected based on \$35  
10 million in increased taxable value of personal property. This is in addition to the tax revenue on  
11 the real property collected from the developer, anticipated to be \$315,000 annually based on \$50  
12 million in increased taxable value.

13  
14 Mayor Hinnant opened the public hearing to those in attendance for an opportunity to speak.

15  
16 Mark Spitzer of 2115 Golf Crest Drive congratulated everyone involved and recommends  
17 approval of the incentive grant and that this is great for the community. There being no further  
18 speakers, Mayor Hinnant closed the public hearing.

19  
20 Council Member Dayvault made a motion to approve a Resolution Granting Economic  
21 Development Incentive not to exceed \$562,275 for Project Hercules II for personal property  
22 investment. Motion was seconded by Mayor Pro tem Wilson and approved by unanimous vote.

23  
24 **Public Hearing and consider approving a Resolution authoring the sale of 7.25 acres in the**  
25 **Kannapolis Gateway Business Park (Mike Legg, City Manager and Walter M. Safrit, II,**  
26 **City Attorney) (Copy included as Exhibit F)**

27 Kannapolis Gateway Business Park was developed to attract business, commercial and industrial  
28 entities in the City. The Park was originally 72 acres developed pursuant to the Local  
29 Development Act in 2002. There are 7.25 acres remaining for sale in the Park except for a 1.6  
30 acre parcel located on the west side on Kannapolis Parkway.

31  
32 The Park was developed in partnership with the Housing and Urban Development Department  
33 using loans through the Community Development Block Grant Section 108 loan process. One of  
34 these loans has been repaid and the remaining loan has a balance of approximately  
35 \$250,000. Proceeds from this sale would be used to pay off the final loan with the balance  
36 available for additional HUD approved projects once the project completes a HUD review and  
37 closeout process.

38  
39 The Purchase and Sale Contract is with Elevation Acquisition and Development, LLC, a  
40 Charlotte based developer. The purchase price agreed upon is \$1,500,000 payable at  
41 closing. The property is being appraised but the purchase price is most likely at fair market  
42 value or greater. Closing on this property is contingent upon the simultaneous sale of two  
43 additional parcels in the park (owned by Chip Mark) to the developer.

44  
45 Mayor Hinnant opened the public hearing to those in attendance for an opportunity to speak.  
46 There being no speakers, Mayor Hinnant closed the public hearing.

1 Council Member Kincaid made a motion to approve a Resolution authoring the sale of 7.25 acres  
2 in the Kannapolis Gateway Business Park. Motion was seconded by Council Member Jackson  
3 and approved by unanimous vote.  
4

5 **Public Hearing regarding Minimum Housing Code Violation - 915 Rochelle Street (Tony**  
6 **Cline, Code Enforcement Officer) (Copy included as Exhibit G)**

7 Mr. Cline provided details of 915 Rochelle Street  
8

- 9 ➤ February 2, 2016 – Code Enforcement staff initiated contact regarding several  
10 minimum housing violations (home was subsequently sold in same condition)
- 11 ➤ October 19, 2016 – Code Enforcement staff performed interior inspection and found  
12 several minimum housing violations including: substandard original footprint, not  
13 weather tight and unsafe. November 2, 2016 – Home determined unfit for occupation  
14 and required current owners to:
  - 15 • Repair, alter, improve or vacate and demolish
  - 16 • Clean up premises
- 17 ➤ January 25, 2017 – Owner obtained demolition permit
- 18 ➤ July 28, 2017 – Owner notified of City Council meeting
- 19 ➤ August 11, 2017 – Owner is making progress towards demolition  
20

21 Mr. Cline stated that the owners were notified a copy of weeks ago about tonight's meeting and  
22 have gone full steam ahead. The house has been taken down to the foundation. Mr. Cline feels at  
23 this time, it is more of a public nuisance rather than a housing code violation code.  
24

25 City Attorney Safrit interjected that it would give Council more authority to postpone taking  
26 action, considering that nothing else was done.  
27

28 Council Member Dayvault made a motion to postpone this matter until August 28, 2017. Motion  
29 was seconded by Council Member Berry and approved by unanimous vote.  
30

31 Council Member Haas stated that he and Mr. Livengood had talked over the last several months  
32 and asked Mr. Livengood to come forth.  
33

34 Allen Livengood of 910 Rochelle Avenue stated the whole house has been gutted. He has  
35 reclaimed most of the lumber from the house to use at other houses and projects, and there is still  
36 about 100 2x2's still sitting on a trailer. He said that Mr. Cline rode by Friday, did not stop and  
37 drove by again today and did not stop. All it takes is professionalism to stop and talk or call him.  
38 He said that two weeks is not enough time to tear it apart piece by piece. He is working his best  
39 to get it down. The windows and doors had been locked so that no one could get into the house.  
40 He has taken about 3000 pounds of sheet rock and plaster to the dump. Again he said that he is  
41 working to get everything done.  
42

43 **Public Hearing Regarding Minimum Housing Code Violation - 719 Kluttz Street (Tony**  
44 **Cline, Code Enforcement Officer) (Copy included as Exhibit H)**

45 Mr. Cline provided details for 719 Kluttz Street.

- 46 ➤ December 6, 2016 – Code Enforcement staff inspected home and determined water  
47 damage had occurred as well as a detached chimney and overall public safety hazard
- 48 ➤ February 8, 2017 – Determined taxes have not been paid for current year and no parties  
49 present at meeting to determine minimum housing violation

- May 10, 2017 – Deadline to make repairs
- To date – No significant repairs or improvements to property
- Yard maintenance performed by City contractor with lien placed for cost of work
- New subdivision, The Falls, being developed across from subject property on Chapman Street

Mayor Hinnant opened the public hearing to those in attendance for an opportunity to speak. There being no speakers, Mayor Hinnant closed the public hearing.

Council Member Haas made a motion to adopt an Ordinance to demolish the property located at 719 Kluttz Street. Motion was seconded by Council Member Dayvault and approved by unanimous vote.

**CITY MANAGER REPORT:** None

**CITY COUNCIL COMMENTS:** None

**CLOSED SESSION:**

Mayor Pro tem Wilson made a motion to go into closed session pursuant to GS. 143-318.11 (a) (3) to consult with an attorney in order to preserve the attorney client privilege and G.S. 143.318.11 (a) (4) for discussing matters relating to the location or expansion of industries or businesses in the area. Motion was seconded by Council Member Kincaid and approved by unanimous vote.

City Council went into closed session at 6:35 PM.

Mayor Pro tem Wilson made a motion to come out of closed session. Motion was seconded by Council Member Dayvault and approved by unanimous vote.

Council resumed regular session at 9:20 PM.

There being no further business, Council Member Berry made a motion to adjourn. Motion was seconded by Mayor Pro tem Wilson and approved by unanimous vote.

The meeting adjourned at 9:20 PM on Monday, August 14, 2017.

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Bridgette Bell, MMC, NCCMC  
City Clerk

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Milton D. Hinnant  
Mayor



**City of Kannapolis  
City Council Meeting  
August 28, 2017  
Staff Report**

**TO:** Mayor and City Council  
**FROM:** Wilmer Melton, III - Director of Public Works  
**TITLE:** Northwest Service District – Contract 2 Booster Pump Station

**A. Action Requested by City Council**

**Motion to award the Northwest Service District – Contract 2 Booster Pump Station to the lowest responsible bidder, Harper Corporation, in the amount of \$973,000.00 and authorize the City Manager to execute contract.**

**B. Required Votes to Pass Required Action**

Majority present at meeting

**C. Background**

The Project consists of a new booster pump station with two 600-gpm pumps and a space for a third, future pump. Bids were received but not opened for the above-referenced project on Wednesday, July 12, 2017 due to only two bids being received. The Project was re-advertised and re-bid on Tuesday, August 1, 2017. This contract features the booster pump station portion of the Northwest Service District infrastructure located on Shiloh Church Road. Two (2) bids were received as summarized below:

<u>Contractor</u>	<u>Booster Pump Station</u>
Harper Corporation	\$973,000.00
Dellinger, Inc.	\$1,166,900.00

**D. Fiscal Considerations**

Contract 2 – Booster Pump Station is a part of the Northwest Service District Water Improvements existing Project Ordinance which is paid through the Water Sewer Fund.

**E. Policy Issues**

Council approval is required for City Manager to execute a contract in this amount.

<b>F. Legal Issues</b>
------------------------

None

<b>G. Alternative Courses of Action and Recommendation</b>
--

1. **Approve the motion to award the Northwest Service District – Contract 2 Booster Pump Station to the lowest responsible bidder, Harper Corporation, in the amount of \$973,000.00 and authorize the City Manager to execute contract. (Recommended)**
2. Reject award of the Northwest Service District – Contract 2 Booster Pump Station to the lowest responsible bidder, Harper Corporation, in the amount of \$973,000.00.

**ATTACHMENTS:**

**File Name**

- ☐ Engineer\_s\_Recommendation\_to\_Award\_-\_NW\_Service\_District\_-\_Contract\_2\_Booster\_Pump\_Station.pdf
- ☐ Western\_Area\_Water\_and\_Tank\_Map.pdf



Engineering  
Landscape Architecture  
Planning

August 17, 2017

Mr. Wilmer Melton, III  
City of Kannapolis  
401 Laureate Way  
Kannapolis, NC 28081

Re: Northwest Service District, Contract 2 – Booster Pump Station  
Recommendation to Award

Dear Mr. Melton:

Bids were received but not opened for the above-referenced project on Wednesday, July 12<sup>th</sup>, 2017 due to only two bids being received. The project was re-advertised and re-bid on Tuesday, August 1<sup>st</sup>, 2017. This contract features the booster pump station portion of the Northwest Service District infrastructure located on Shiloh Church Road.

Two bids were accepted as summarized below:

CONTRACTOR	LOCATION	BID AMOUNT
Harper Corporation	Greenville, SC	\$973,000.00
Dellinger, Inc.	Monroe, NC	\$1,166,900.00

The low bidder is Harper Corporation from Greenville, SC. Although our team has never worked with Harper Corporation, they received high praise from all three references submitted with their bid. In addition, we contacted other engineers that have and are currently working with Harper, and they also provided encouraging support for Harper's management and workmanship.

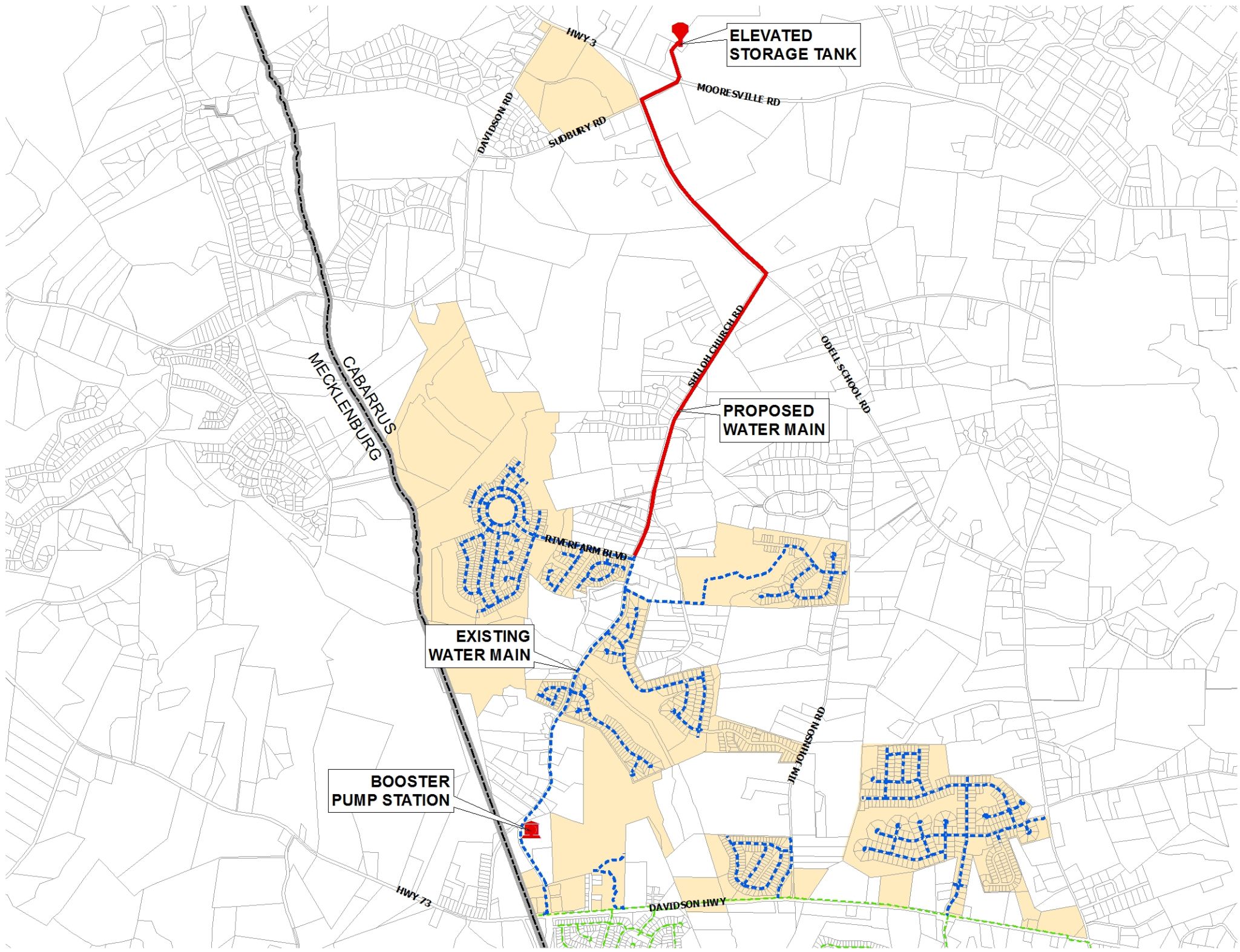
We discussed the project directly with Harper's estimating and project management team thoroughly. We feel they have a complete understanding of the project scope and expectations, and they are comfortable with their bid.

Based on the conversations with references, engineers, and conversations directly with Harper Corporation, our opinion is they are a reputable contractor capable of completing the construction in a clean and timely fashion. If the City's decision is to award the construction of the booster pump station, LKC recommends the award be made to Harper Corporation for the low bid amount of \$973,000.00.

If you have any questions, please do not hesitate to contact us at (910) 420-1437 or by email at adam@lkcengineering.com.

Sincerely,  
LKC Engineering, PLLC

Adam P. Kiker, P.E.







**City of Kannapolis  
City Council Meeting  
August 28, 2017  
Staff Report**

**TO:** Mayor and City Council  
**FROM:** Eric Davis, Finance Director  
**TITLE:** Capital Project Ordinance Amendment for the Davidson Road Water Main

**A. Action Requested by City Council**

**Motion to approve a Capital Project Ordinance Amendment for the Davidson Road Water Main.**

**B. Required Votes to Pass Required Action**

Majority present at meeting

**C. Background**

This Capital Project Ordinance Amendment involves the Westside Utility extensions along Davidson Road. The Sewer component is complete and the water components are almost ready for construction. All of the bids have been received for the three water components: line construction, elevated tank erection, and pump station installation. Due to the timing of the project, the cost estimates have increased substantially. The attached Project Ordinance amendment (\$400,000) will cover all costs identified in the submitted contractor bids.

**D. Fiscal Considerations**

The City is in the process of issuing revenue bonds for this project. The City has been approved to issue the higher amount of bonds. The increased amount will result in slightly higher bond payments going forward which will be absorbed in future annual budgets.

**E. Policy Issues**

None

**F. Legal Issues**

None

<b>G. Alternative Courses of Action and Recommendation</b>
--

- 1. Approve Capital Project Ordinance Amendment for the Davidson Road Water Main (Recommended)**
2. Do not approve Capital Project Ordinance Amendment for the Davidson Road Water Main.

ATTACHMENTS:

File Name

▢ Westside\_Utility\_\_Ext.\_\_2017\_-\_2.pdf

**CITY OF KANNAPOLIS, NORTH CAROLINA  
ORDINANCE AMENDING THE DAVIDSON ROAD WATER MAIN  
& SUDBURY ROAD SEWER MAIN  
CAPITAL PROJECT ORDINANCE  
Amendment #18-3**

**BE IT ORDAINED** by the City Council of the City of Kannapolis, North Carolina meeting in open session this 28<sup>th</sup> day of August, 2017, that the following amendment to the Davidson Road Water Main & Sudbury Road Sewer Main Capital Project Ordinance for the City of Kannapolis, North Carolina is hereby adopted:

**FUND 315: DAVIDSON ROAD WATER MAIN & SUDBURY ROAD SEWER MAIN**

**SECTION I:** Increase Fund Revenue Estimate as follows:

Increase funds from Debt Proceeds (33095-39000)                      \$ 400,000

**SECTION II:** Increase Fund Expenditures as follows:

Capital Outlay (33000-59200)    \$ 400,000

This Ordinance is approved and adopted this 28<sup>th</sup> day of August, 2017.

\_\_\_\_\_  
Milton D. Hinnant, Mayor

ATTEST:

\_\_\_\_\_  
Bridgette Bell, MMC, NCCMC  
City Clerk



**City of Kannapolis  
City Council Meeting  
August 28, 2017  
Staff Report**

**TO:** Mayor and City Council  
**FROM:** Eric Davis, Finance Director  
**TITLE:** Resolution approving an Installment Financing Contract and Deed of Trust

**A. Action Requested by City Council**

**Approve a Resolution authorizing an Installment Financing Contract and Deed of Trust**

**B. Required Votes to Pass Required Action**

Majority present at meeting

**C. Background**

The City of Kannapolis is borrowing approximately \$7.2 million via an Installment Financing Contract. This borrowing funds the acquisition of a Ladder Fire Truck, Village Park Phase 3 improvements (completed), the acquisition of a shopping center for the relocation of RCCC Cosmetology program, and the first phase of infrastructure work downtown. This Resolution is the final City Council action that will direct staff to complete this financial deal.

**D. Fiscal Considerations**

The City has budgeted for the debt service payments for the projects listed above.

**E. Policy Issues**

None

**F. Legal Issues**

None

**G. Alternative Courses of Action and Recommendation**

- 1. Approve Resolution approving an Installment Financing Contract and Deed of Trust (Recommended)**
2. Do not approve Resolution approving an Installment Financing Contract and Deed of Trust

**ATTACHMENTS:**

**File Name**

▣ Approving\_Resolution\_-\_City\_of\_Kannapolis\_-\_2017\_IFC\_-\_1st\_\_Draft\_Distributed\_to\_Working\_Group.pdf

EXTRACTS FROM MINUTES OF CITY COUNCIL

\* \* \*

A Regular Meeting of the City Council of the City of Kannapolis, North Carolina was duly held at 401 Laureate Way in Kannapolis, North Carolina, the regular place of meeting, at 6:00 p.m. on August 28, 2017:

Members Present:

Members Absent:

\* \* \* \* \*  
\* \* \*

Councilmember \_\_\_\_\_ introduced the following resolution, a summary of which had been provided to each Councilmember, a copy of which was available with the City Council and which was read by title:

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KANNAPOLIS, NORTH CAROLINA, APPROVING AN INSTALLMENT FINANCING CONTRACT AND A DEED OF TRUST WITH RESPECT THERETO AND DELIVERY THEREOF AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS**

*WHEREAS*, the City of Kannapolis, North Carolina (the “*City*”) is a municipal corporation validly existing under the Constitution, statutes and laws of the State of North Carolina (the “*State*”);

*WHEREAS*, the City has the power, pursuant to the General Statutes of North Carolina to (1) purchase real and personal property, (2) enter into installment financing contracts in order to finance and refinance the purchase of real and personal property used, or to be used, for public purposes and (3) grant a security interest in some or all of the property purchased to secure repayment of the purchase price;

*WHEREAS*, the City Council of the City (the “*City Council*”) has determined that it is in the best interest of the City to enter into an installment financing contract (the “*Contract*”) with Sterling National Bank (the “*Lender*”) in order to pay the capital costs of (a) the acquisition of a fire truck (the “*Equipment*”), (b) the acquisition and construction of underground utility infrastructure, (c) the acquisition of a building located at 280 Highway 29 South in the City, (d) the improvement of Village Park located along A and C streets and North Loop Road in the City, (e) improvements to the City’s public works facility located at 1401 Bethpage Road in the City (collectively, the “*Projects*”) and (f) to pay certain costs related to the execution and delivery of the Contract;

*WHEREAS*, the City Council has determined that it is in the best interest of the City to secure its obligations under the Contract by granting a security interest in the Equipment and by executing and

delivering a Deed of Trust, Security Agreement and Fixture Filing (the “*Deed of Trust*”) to the deed of trust trustee named therein for the benefit of the Lender, granting a lien on the City’s fee simple interest in portions of the real property on which the Projects are located, and the improvements thereon;

*WHEREAS*, the City Council adopted a resolution on July 10, 2017 making certain findings with respect to the Contract, the Deed of Trust and the Projects;

*WHEREAS*, the City Council conducted a public hearing on July 10, 2017 to receive public comments on the Contract, the Deed of Trust and the Projects;

*WHEREAS*, the City has filed an application with the Local Government Commission of North Carolina (the “*LGC*”) for approval of the LGC with respect to the City entering into the Contract in an aggregate principal amount not to exceed \$8,000,000, and the City hereby determines that all findings, conclusions and determinations of the City in this Resolution are subject to such approval by the LGC;

*WHEREAS*, there have been described to the City Council the forms of the Contract and the Deed of Trust (collectively, the “*Instruments*”), copies of which have been made available to the City Council, which the City Council proposes to approve, enter into and deliver, as applicable, to effectuate the proposed installment financing; and

*WHEREAS*, it appears that each of the Instruments is in appropriate form and is an appropriate instrument for the purposes intended;

*NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KANNAPOLIS, NORTH CAROLINA, AS FOLLOWS:*

Section 1.     ***Ratification of Prior Actions.*** All actions of the City, Mayor, City Manager, Deputy City Manager, Finance Director and the City Attorney and their respective designees in effectuating the proposed financing of the Projects are hereby approved, ratified and authorized pursuant to and in accordance with the transactions contemplated by the Instruments.

Section 2.     ***Approval, Authorization and Execution of Contract.*** The City hereby approves the financing of the Projects in accordance with the terms of the Contract, which will be a valid, legal and binding obligation of the City in accordance with its terms. The City hereby approves the amount advanced by the Lender to the City pursuant to the Contract in an aggregate principal amount not to exceed \$8,000,000, such amount to be repaid by the City to the Lender as provided in the Contract. The form, terms and content of the Contract are in all respects authorized, approved and confirmed, and the Mayor, City Manager, Deputy City Manager, Finance Director and City Clerk (the “*Authorized Officers*”) or their respective designees are authorized, empowered and directed, individually and collectively, to execute and deliver the Contract for and on behalf of the City, including necessary counterparts, in substantially the form presented to the City Council, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of their approval of any and all such changes, modifications, additions or deletions. From and after the execution and delivery of the Contract, the Authorized Officers or their respective designees are hereby authorized, empowered and directed, individually and collectively, to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Contract as executed.

Section 3.     ***Approval, Authorization and Execution of Deed of Trust.*** The form, terms and content of the Deed of Trust are in all respects authorized, approved and confirmed, and the Authorized Officers or their respective designees are authorized, empowered and directed, individually and

collectively, to execute and deliver the Deed of Trust for and on behalf of the City, including necessary counterparts, in substantially the form presented to the City Council, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of their approval of any and all such changes, modifications, additions or deletions. From and after the execution and delivery of the Deed of Trust, the Authorized Officers or their respective designees are hereby authorized, empowered and directed, individually and collectively, to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Deed of Trust as executed.

Section 4. **Further Actions.** The Authorized Officers are each hereby designated as the City's representatives to act on behalf of the City in connection with the transactions contemplated by the Instruments. The Authorized Officers are authorized and directed, individually and collectively, to proceed with the financing of the Projects in accordance with the terms of the Instruments and to seek opinions on matters of law from the City Attorney, which the City Attorney is authorized to furnish on behalf of the City, and opinions of law from such other attorneys for all documents contemplated hereby as required by law. The Authorized Officers are hereby authorized to designate one or more employees of the City to take all actions which the Authorized Officers are authorized to perform under this Resolution, and the Authorized Officers or their designees are in all respects authorized on behalf of the City, individually and collectively, to supply all information pertaining to the transactions contemplated by the Instruments. The Authorized Officers are authorized, individually and collectively, to execute and deliver for and on behalf of the City any and all additional certificates, documents, opinions or other papers and perform all other acts as may be required by the Instruments or as they may deem necessary or appropriate to implement and carry out the intent and purposes of this Resolution.

Section 5. **Repealer.** All motions, orders, resolutions, ordinances and parts thereof in conflict herewith are hereby repealed.

Section 6. **Severability.** If any section, phrase or provision of this Resolution is for any reason declared to be invalid, such declaration will not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

Section 7. **Effective Date.** This Resolution is effective on the date of its adoption.

On motion of Councilmember \_\_\_\_\_, seconded by Councilmember \_\_\_\_\_, the foregoing resolution entitled **"RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KANNAPOLIS, NORTH CAROLINA, APPROVING AN INSTALLMENT FINANCING CONTRACT AND A DEED OF TRUST WITH RESPECT THERETO AND DELIVERY THEREOF AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS"** was duly adopted by the following vote:

AYES:

NAYS:



STATE OF NORTH CAROLINA                 )  
  )         ss:  
CITY OF KANNAPOLIS                         )

I, BRIDGETTE BELL, City Clerk of the City of Kannapolis, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of a resolution entitled “**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KANNAPOLIS, NORTH CAROLINA APPROVING AN INSTALLMENT FINANCING CONTRACT AND DEED OF TRUST WITH RESPECT THERETO AND DELIVERY THEREOF AND PROVIDING FOR OTHER RELATED MATTERS**” adopted by the City Council of the City of Kannapolis, North Carolina at a meeting held on the 28th day of August, 2017.

**WITNESS** my hand and the corporate seal of the City of Kannapolis, North Carolina, this the \_\_\_\_ day of \_\_\_\_\_, 2017.

[Seal]

Bridgette Bell  
City Clerk  
City of Kannapolis, North Carolina



**City of Kannapolis  
City Council Meeting  
August 28, 2017  
Staff Report**

**TO:** Mayor and City Council  
**FROM:** Eric Davis, Finance Director  
**TITLE:** Bond Order authorizing the issuance for Water & Sewer Revenue Bonds

**A. Action Requested by City Council**

**Motion to approve a Bond Order authorizing the issuance or no more than \$7,000,000 in Water & Sewer Revenue Bonds.**

**B. Required Votes to Pass Required Action**

Majority present at meeting

**C. Background**

Previously, the City Council authorized staff to initiate a process whereby we would issue Water and Sewer System Revenue Bonds to fund improvements in the Westside of Kannapolis. Specifically, this project installs water and sewer lines and other infrastructure along Sudbury Road and Davidson Road in order to facilitate growth that is occurring in the area. The approval of this Bond Order is the final City Council approval of this project, and authorizes staff to take the necessary actions to complete the issuance of no more than \$7,000,000 in Revenue Bonds.

**D. Fiscal Considerations**

The City has budgeted the debt service payments for this project.

**E. Policy Issues**

None

**F. Legal Issues**

None

<b>G. Alternative Courses of Action and Recommendation</b>
--

- 1. Approve a Bond Order authorizing the issuance or no more than \$7,000,000 in Water & Sewer Revenue Bonds (Recommended)**
2. Do not approve a Bond Order authorizing the issuance or no more than \$7,000,000 in Water & Sewer Revenue Bonds

ATTACHMENTS:

File Name

□ Bond\_Order\_-\_City\_of\_Kannapolis\_2017\_W\_S\_Revenue\_Bond\_(incorporates\_approvals\_and\_order)\_-\_1st\_Draft.DOC

EXTRACTS FROM MINUTES OF CITY COUNCIL

\* \* \*

A Regular Meeting of the City Council of the City of Kannapolis, North Carolina was duly held at 401 Laureate Way in Kannapolis, North Carolina, the regular place of meeting, at 6:00 p.m. on August 28, 2017:

Members Present:

Members Absent:

\* \* \* \* \*  
\* \* \*

Councilmember \_\_\_\_\_ introduced the following order, a summary of which had been provided to each Councilmember, a copy of which was available with the City Council and which was read by title:

**BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$7,000,000 CITY OF KANNAPOLIS, NORTH CAROLINA WATER AND SEWER SYSTEM REVENUE BOND, SERIES 2017; AUTHORIZING THE APPROVAL, EXECUTION AND DELIVERY OF VARIOUS DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF THE BOND; PROVIDING FOR THE SALE OF THE BOND; AND PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE BOND**

**WHEREAS**, the City of Kannapolis, North Carolina (the “City”) is authorized by the State and Local Government Revenue Bond Act, General Statutes of North Carolina, Section 159-80 *et seq.* (the “Act”), to issue, subject to the approval of the Local Government Commission of North Carolina (the “LGC”), at one time or from time to time, revenue bonds of the City for the purposes as specified in the Act;

**WHEREAS**, the City has determined to issue its Water and Sewer System Revenue Bond, Series 2017 (the “2017 Bond”) in an aggregate principal amount not to exceed \$7,000,000 to provide funds to (1) finance improvements to the City’s water and sewer infrastructure, including line extensions, a pump station and an elevated water tank (the “Projects”) and (2) pay the costs of issuing the 2017 Bond;

**WHEREAS**, the City will issue the 2017 Bond under the General Trust Indenture dated as of October 1, 2001 (the “General Indenture”) between the City and First Union National Bank of North Carolina, the successor to which is U.S. Bank National Association, as trustee (the “Trustee”), and Series Indenture, Number 5 dated as of September 1, 2017 (the “Series Indenture”) between the City and the Trustee;

**WHEREAS**, the City and the LGC have arranged for the sale of the 2017 Bond to Pinnacle Public Finance, Inc. (the “*Lender*”);

**WHEREAS**, copies of the forms of the following documents relating to the transactions described above have been filed with the City:

- (1) the General Indenture; and
- (2) the Series Indenture;

**NOW THEREFORE, BE IT ORDERED BY THE CITY COUNCIL OF THE CITY OF KANNAPOLIS, NORTH CAROLINA:**

**Section 1.** The 2017 Bond is hereby authorized and will be issued pursuant to the Act to raise the money required, in addition to any funds which may be made available for such purpose from any other source, to (1) finance the Projects and (2) pay the costs of issuing the 2017 Bond, all as set out fully in the documents attached to the City’s application to the LGC. The use of the proceeds of the 2017 Bond, as described, is necessary to meet the demands of the users of the City’s Water and Sewer System (as defined in the General Indenture).

**Section 2.** The aggregate principal amount of the 2017 Bond authorized by this order will not exceed \$7,000,000. The 2017 Bond hereby authorized will be a special obligation of the City, secured by and paid solely from the proceeds thereof or from revenues, income, receipts and other money received or accrued by or on behalf of the City from or in connection with the operation of the City’s Water and Sewer System.

**Section 3.** The City’s issuance of the 2017 Bond, in substantially the form to be set forth in the Series Indenture, is hereby in all respects approved and confirmed, and the provisions of the General Indenture and the Series Indenture with respect to the 2017 Bond are hereby approved and confirmed and are incorporated herein by reference. The proceeds from the sale of the 2017 Bond will be deposited in accordance with the Series Indenture.

The principal of, premium, if any, and interest on the 2017 Bond will not be payable from the general funds of the City, nor will the 2017 Bond constitute a legal or equitable pledge, charge, lien or encumbrance on any of the City’s property or on any of its income, receipts or revenues except the funds which are pledged under the Series Indenture. Neither the credit nor the taxing power of the State of North Carolina (the “*State*”) or the City is pledged for the payment of the principal of, premium, if any, or interest on the 2017 Bond, and no holder of the 2017 Bond has the right to compel the exercise of the taxing power by the State or the City or the forfeiture of any of its property in connection with any default thereon.

**Section 4.** The form and content of the Series Indenture, including the exhibits thereto, are hereby in all respects approved and confirmed, and the Mayor, the City Manager, the Deputy City Manager, the Finance Director and the City Clerk, (collectively, the “*Authorized Officers*”) are hereby authorized, empowered and directed, individually and collectively, to execute and deliver the Series Indenture for and on behalf of the City, including necessary counterparts, in substantially the form and content presented to the City, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the City’s approval of any and all such changes, modifications, additions or deletions therein. From and after the execution and delivery of the Series Indenture, the Authorized Officers, or their respective designees, are hereby authorized, empowered and directed, individually and collectively, to do all such

acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the General Indenture and the Series Indenture as executed. The Trustee is hereby appointed as Registrar and Paying Agent under the Series Indenture.

**Section 5.** That the 2017 Bond will be sold to the Lender. The Authorized Officers, or their respective designees, are hereby authorized, empowered and directed, individually and collectively, to do all such acts and things and to execute all such documents as may be necessary to consummate the sale of the 2017 Bond to the Lender.

**Section 6.** The City Manager, the Deputy City Manager or the Finance Director is hereby authorized to execute a no-arbitrage certificate to comply with Section 148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder.

**Section 7.** If any one or more of the covenants, agreements or provisions contained in this Bond Order is held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or is for any reason whatsoever held invalid, then such covenants, agreements or provisions will be null and void and will be deemed separable from the remaining agreements and provisions and will in no way affect the validity of any of the other agreements and provisions of this Bond Order or of the 2017 Bond authorized hereunder.

**Section 8.** No stipulation, obligation or agreement contained in this Bond Order or contained in the 2017 Bond, the General Indenture, the Series Indenture or any other instrument related to the issuance of the 2017 Bond is a stipulation, obligation or agreement of any officer, agent or employee of the City in his or her individual capacity, and no such officer, agent or employee is personally liable on the 2017 Bond or subject to personal liability or accountability by reason of the issuance thereof.

**Section 9.** The Authorized Officers, or their respective designees, are hereby authorized, empowered and directed, individually and collectively, to do any and all other acts and to execute any and all other documents which they, in their discretion, deem necessary and appropriate to consummate the transactions contemplated by this Bond Order, the General Indenture or the Series Indenture; except that none of the above is hereby authorized or empowered to do anything or execute any document which is in contravention, in any way, of (a) the specific provisions of this Bond Order, (b) the specific provisions of the General Indenture or the Series Indenture, (c) any agreement to which the City is bound, (d) any rule or regulation of the City or (e) any applicable law, statute, ordinance, rule or regulation of the United States of America or the State.

**Section 10.** The Authorized Officers, or their respective designees, are hereby authorized and directed, individually and collectively, to prepare and furnish, when the 2017 Bond is issued, certified copies of all the proceedings and records of the City Council relating to the 2017 Bond, and such other affidavits, certificates and documents as may be required to show the facts relating to the legality and marketability of the 2017 Bond as such facts appear on the books and records in such party's custody and control or as otherwise known to them; and all such certified copies, certificates, affidavits and documents, including any heretofore furnished, constitute representations of the City as to the truth of all statements contained therein.

**Section 11.** All acts and doings of the Authorized Officers, or their respective designees, that are in conformity with the purposes and intent of this Bond Order and in the furtherance of the issuance of the 2017 Bond and the execution, delivery and performance of the General Indenture and the Series Indenture are hereby in all respects approved and confirmed.

**Section 12.** All resolutions or parts thereof of the City Council in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

**Section 13.** This Bond Order will take effect immediately on its adoption and, pursuant to Section 159-88 of the General Statutes of North Carolina, as amended, need not be published or subjected to any procedural requirements governing the adoption of ordinances or resolutions by the City Council other than the procedures set out in the Act.

On motion of Councilmember \_\_\_\_\_, seconded by Councilmember \_\_\_\_\_, the foregoing resolution entitled **“BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$7,000,000 CITY OF KANNAPOLIS, NORTH CAROLINA WATER AND SEWER SYSTEM REVENUE BOND, SERIES 2017; AUTHORIZING THE APPROVAL, EXECUTION AND DELIVERY OF VARIOUS DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF THE BOND; PROVIDING FOR THE SALE OF THE BOND; AND PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE BOND”** was duly adopted by the following vote:

AYES:

NAYS:

STATE OF NORTH CAROLINA                    )  
  )  
CITY OF KANNAPOLIS                        )       ss:

I, *Bridgette Bell*, City Clerk of the City of Kannapolis, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of a resolution entitled “**BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$7,000,000 CITY OF KANNAPOLIS, NORTH CAROLINA WATER AND SEWER SYSTEM REVENUE BOND, SERIES 2017; AUTHORIZING THE APPROVAL, EXECUTION AND DELIVERY OF VARIOUS DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF THE BOND; PROVIDING FOR THE SALE OF THE BOND; AND PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE BOND**” adopted by the City Council of the City of Kannapolis, North Carolina, at a meeting held on the 28th day of August, 2017.

***WITNESS*** my hand and the corporate seal of the City of Kannapolis, North Carolina, this the \_\_\_\_ day of \_\_\_\_\_, 2017.

[Seal]

\_\_\_\_\_  
Bridgette Bell  
City Clerk  
City of Kannapolis, North Carolina





**City of Kannapolis  
City Council Meeting  
August 28, 2017  
Staff Report**

**TO:** Mayor and City Council  
**FROM:** Mike Legg, City Manager  
**TITLE:** Resolution to Purchase Land

**A. Action Requested by City Council**

**Motion to approve a Resolution to Purchase Land for Relocation of Rowan Cabarrus Community College.**

**B. Required Votes to Pass Required Action**

Majority present at meeting

**C. Background**

**D. Fiscal Considerations**

**E. Policy Issues**

**F. Legal Issues**

**G. Alternative Courses of Action and Recommendation**

**ATTACHMENTS:**

**File Name**

- ❑ Resolution\_To\_Purchase\_Land\_For\_RCCC\_(8-28-17).pdf
- ❑ Agreement\_to\_Purchase\_Land\_for\_relocation\_of\_RCCC.pdf

**RESOLUTION TO PURCHASE  
LAND FOR RELOCATION OF  
ROWAN CABARRUS COMMUNITY COLLEGE**

WHEREAS, Rowan Cabarrus Community College (“RCCC”) is a city tenant pursuant to a lease located at 120 West Avenue in the Downtown District of the City; and

WHEREAS, in order to accomplish the plans and purposes for the City Downtown Redevelopment Project it is necessary to relocate RCCC to a City facility outside the Downtown District which meets both the City and RCCC program requirements and objectives; and

WHEREAS, the City of Kannapolis desires to acquire real property located 489 North Cannon Boulevard, in the city which will meet the needs of RCCC for their academic programs; and

WHEREAS, a Budget Amendment was approved for the acquisition of suitable property on August 28, 2017; and

WHEREAS, the real property described in the attached Agreement for Purchase and Sale of Real Property (“Purchase Agreement”) provides a facility for the relocation of RCCC which meets its program requirements and objectives;

NOW THEREFORE, BE IT RESOLVED that the terms, conditions and provisions of the Purchase Agreement are hereby approved and ratified; and

BE IT FURTHER RESOLVED, all action performed or to be performed by the City Manager, City Attorney and appropriate staff necessary for acquisition of the Property and otherwise comply with the intent of this Resolution are hereby authorized and ratified.

This the 28th day of August, 2017.

\_\_\_\_\_  
Milton D. Hinnant

Attest:

\_\_\_\_\_  
Bridgette Bell, MMC, NCCMC  
City Clerk



REALTOR® North Carolina Association  
of REALTORS®

# AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY

THIS AGREEMENT, including any and all addenda attached hereto ("Agreement"), is by and between

City of Kannapolis

a(n) \_\_\_\_\_ ("Buyer"), and  
(individual or State of formation and type of entity)

FRANKLIN HEIGHTS BAPTIST CHURCH

a(n) \_\_\_\_\_ ("Seller").  
(individual or State of formation and type of entity)

FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES SET FORTH HEREIN AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE PARTIES HERETO AGREE AS FOLLOWS:

**Section 1. Terms and Definitions:** The terms listed below shall have the respective meaning given them as set forth adjacent to each term.

(a) **"Property":** (Address) 489 N CANNON BLVD, KANNAPOLIS, NC 28083

Plat Reference: Lot(s) N/A, Block or Section N/A, as shown on Plat Book or Slide  
N/A at Page(s) N/A, CABARRUS County, consisting of 8.8 acres.

☐ If this box is checked, "Property" shall mean that property described on Exhibit A attached hereto and incorporated herewith by reference.

(For information purposes: (i) the tax parcel number of the Property is: 5624004912, 5624009853, 5624019051; and, (ii) some or all of the Property, consisting of approximately \_\_\_\_\_ acres, is described in Deed Book 9997, Page No. 0021, Cabarrus County.)

together with all buildings and improvements thereon and all fixtures and appurtenances thereto and all personal property, if any, itemized on Exhibit A.

\$ \$895,000.00 (b) **"Purchase Price"** shall mean the sum of Eight Hundred Ninety-Five Thousand Dollars,  
payable on the following terms:

\$ 10,000.00 (i) **"Earnest Money"** shall mean Ten Thousand Dollars  
or terms as follows:

Upon this Agreement becoming a contract in accordance with Section 14, the Earnest Money shall be promptly deposited in escrow with ALLEN TATE REALTORS (name of person/entity with whom deposited), to be applied as part payment of the Purchase Price of the Property at Closing, or disbursed as agreed upon under the provisions of Section 10 herein.

Page 1 of 8



This form jointly approved by:  
North Carolina Bar Association  
North Carolina Association of REALTORS®, Inc.

Buyer Initials \_\_\_\_\_ Seller Initials BS

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☒ ANY EARNEST MONEY DEPOSITED BY BUYER IN A TRUST ACCOUNT MAY BE PLACED IN AN INTEREST BEARING TRUST ACCOUNT, AND: (check only ONE box)

☐ ANY INTEREST EARNED THEREON SHALL BE APPLIED AS PART PAYMENT OF THE PURCHASE PRICE OF THE PROPERTY AT CLOSING, OR DISBURSED AS AGREED UPON UNDER THE PROVISIONS OF SECTION 10 HEREIN. (Buyer's Taxpayer Identification Number is: \_\_\_\_\_)

☐ ANY INTEREST EARNED THEREON SHALL BELONG TO THE ACCOUNT HOLDER IN CONSIDERATION OF THE EXPENSES INCURRED BY MAINTAINING SUCH ACCOUNT AND RECORDS ASSOCIATED THEREWITH.

\$ \_\_\_\_\_ N/A (ii) Proceeds of a new loan in the amount of \_\_\_\_\_ Dollars for a term of \_\_\_\_\_ years, with an amortization period not to exceed \_\_\_\_\_ years, at an interest rate not to exceed \_\_\_\_\_ % per annum with mortgage loan discount points not to exceed \_\_\_\_\_ % of the loan amount, or such other terms as may be set forth on **Exhibit B**. Buyer shall pay all costs associated with any such loan.

\$ \_\_\_\_\_ N/A (iii) Delivery of a promissory note secured by a deed of trust, said promissory note in the amount of \_\_\_\_\_ Dollars being payable over a term of \_\_\_\_\_ years, with an amortization period of \_\_\_\_\_ years, payable in monthly installments of principal, together with accrued interest on the outstanding principal balance at the rate of \_\_\_\_\_ percent ( \_\_\_\_\_ %) per annum in the amount of \$ \_\_\_\_\_, with the first principal payment beginning on the first day of the month next succeeding the date of Closing, or such other terms as may be set forth on **Exhibit B**. At any time, the promissory note may be prepaid in whole or in part without penalty and without further interest on the amounts prepaid from the date of such prepayment. (NOTE: In the event of Buyer's subsequent default upon a promissory note and deed of trust given hereunder, Seller's remedies may be limited to foreclosure of the Property. If the deed of trust given hereunder is subordinated to senior financing, the material terms of such financing must be set forth on **Exhibit B**. If such senior financing is subsequently foreclosed, the Seller may have no remedy to recover under the note.)

\$ \_\_\_\_\_ N/A (iv) Assumption of that unpaid obligation of Seller secured by a deed of trust on the Property, such obligation having an outstanding principal balance of \$ \_\_\_\_\_ and evidenced by a note bearing interest at the rate of \_\_\_\_\_ percent ( \_\_\_\_\_ %) per annum, and a current payment amount of \$ \_\_\_\_\_. The obligations of Buyer under this Agreement are conditioned upon Buyer being able to assume the existing loan described above. If such assumption requires the lender's approval, Buyer agrees to use its best efforts to secure such approval and to advise Seller immediately upon receipt of the lender's decision. Approval must be granted on or before \_\_\_\_\_. On or before this date, Buyer has the right to terminate this Agreement for failure to be able to assume the loan described above by delivering to Seller written notice of termination by the above date, *time being of the essence*. If Buyer delivers such notice, this Agreement shall be null and void and Earnest Money shall be refunded to Buyer. If Buyer fails to deliver such notice, then Buyer will be deemed to have waived the loan condition. Unless provided otherwise in Section 3 hereof, Buyer shall pay all fees and costs associated with any such assumption, including any assumption fee charged by the lender. At or before Closing, Seller shall assign to Buyer all interest of Seller in any current reserves or escrows held by the lender, any property management company and/or Seller, including but not limited to any tenant improvement reserves, leasing commission reserves, security deposits and operating or capital reserves for which Seller shall be credited said amounts at Closing.

\$ 885,000.00 (v) Cash, balance of Purchase Price, at Closing in the amount of Eight Hundred Eighty-Five Thousand Dollars.

Buyer Initials MS Seller Initials BS

Page 2 of 8

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(c) **"Closing"** shall mean the date and time of recording of the deed. Closing shall occur on or before September 4, 2017 or \_\_\_\_\_.

(d) **"Contract Date"** means the date this Agreement has been fully executed by both Buyer and Seller.

(e) **"Examination Period"** shall mean the period beginning on the first day after the Contract Date and extending through through 11:59pm (based upon time at the locale of the Property) on August 7, 2017.

**TIME IS OF THE ESSENCE AS TO THE EXAMINATION PERIOD.**

(f) **"Broker(s)"** shall mean:

Harris Morrison Company LLC ("Listing Agency"),  
Douglas Donia ("Listing Agent" - License # 275189)  
 Acting as: ☒ Seller's Agent; ☐ Dual Agent  
 and Allen Tate Co. ("Selling Agency"),  
DIANE HONEYCUTT/CHRIS WAGNER ("Selling Agent" - License # 229888)  
 Acting as: ☒ Buyer's Agent; ☐ Seller's (Sub) Agent; ☐ Dual Agent

(g) **"Seller's Notice Address"** shall be as follows:  
doug@harrismorrison.com

except as same may be changed pursuant to Section 12.

(h) **"Buyer's Notice Address"** shall be as follows:  
chris.wagner@allentate.com

except as same may be changed pursuant to Section 12.

☒ (i) If this block is marked, additional terms of this Agreement are set forth on **Exhibit B** attached hereto and incorporated herein by reference. (Note: Under North Carolina law, real estate agents are not permitted to draft conditions or contingencies to this Agreement.)

**Section 2. Sale of Property and Payment of Purchase Price:** Seller agrees to sell and Buyer agrees to buy the Property for the Purchase Price.

**Section 3. Proration of Expenses and Payment of Costs:** Seller and Buyer agree that all property taxes (on a calendar year basis), leases, rents, mortgage payments and utilities or any other assumed liabilities as detailed on attached **Exhibit B**, if any, shall be prorated as of the date of Closing. Seller shall pay for preparation of a deed and all other documents necessary to perform Seller's obligations under this Agreement, excise tax (revenue stamps), any deferred or rollback taxes, and other conveyance fees or taxes required by law, and the following:

N/A

Buyer Initials ML Page 3 of 8 Seller Initials BS

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Buyer shall pay recording costs, costs of any title search, title insurance, survey, the cost of any inspections or investigations undertaken by Buyer under this Agreement and the following:

N/A

Each party shall pay its own attorney's fees.

**Section 4. Deliveries:** Seller agrees to use best efforts to deliver to Buyer as soon as reasonably possible after the Contract Date copies of all information relating to the Property in possession of or available to Seller, including but not limited to: title insurance policies (and copies of any documents referenced therein), surveys, soil test reports, environmental surveys or reports, site plans, civil drawings, building plans, maintenance records and copies of all presently effective warranties or service contracts related to the Property. Seller authorizes (1) any attorney presently or previously representing Seller to release and disclose any title insurance policy in such attorney's file to Buyer and both Buyer's and Seller's agents and attorneys; and (2) the Property's title insurer or its agent to release and disclose all materials in the Property's title insurer's (or title insurer's agent's) file to Buyer and both Buyer's and Seller's agents and attorneys. If Buyer does not consummate the Closing for any reason other than Seller default, then Buyer shall return to Seller all materials delivered by Seller to Buyer pursuant to this Section 4 (or Section 7, if applicable), if any, and shall, upon Seller's request, provide to Seller copies of (subject to the ownership and copyright interests of the preparer thereof) any and all studies, reports, surveys and other information relating directly to the Property prepared by or at the request of Buyer, its employees and agents, and shall deliver to Seller, upon the release of the Earnest Money, copies of all of the foregoing without any warranty or representation by Buyer as to the contents, accuracy or correctness thereof.

**Section 5. Evidence of Title:** Seller agrees to convey fee simple marketable and insurable title to the Property without exception for mechanics' liens, free and clear of all liens, encumbrances and defects of title other than: (a) zoning ordinances affecting the Property, (b) Leases (if applicable) and (c) matters of record existing at the Contract Date that are not objected to by Buyer prior to the end of the Examination Period ("Permitted Exceptions"); provided that Seller shall be required to satisfy, at or prior to Closing, any encumbrances that may be satisfied by the payment of a fixed sum of money, such as deeds of trust, mortgages or statutory liens. Seller shall not enter into or record any instrument that affects the Property (or any personal property listed on **Exhibit A**) after the Contract Date without the prior written consent of Buyer, which consent shall not be unreasonably withheld, conditioned or delayed.

**Section 6. Conditions:** This Agreement and the rights and obligations of the parties under this Agreement are hereby made expressly conditioned upon fulfillment (or waiver by Buyer, whether explicit or implied) of the following conditions:

(a) **New Loan:** The Buyer must be able to obtain the loan, if any, referenced in Section 1(b)(ii). Buyer must be able to obtain a firm commitment for this loan on or before N/A, effective through the date of Closing. Buyer agrees to use its best efforts to secure such commitment and to advise Seller immediately upon receipt of lender's decision. On or before the above date, Buyer has the right to terminate this Agreement for failure to obtain the loan referenced in Section 1(b)(ii) by delivering to Seller written notice of termination by the above date, *time being of the essence*. If Buyer delivers such notice, this Agreement shall be null and void and Earnest Money shall be refunded to Buyer. If Buyer fails to deliver such notice, then Buyer will be deemed to have waived the loan condition. Notwithstanding the foregoing, after the above date, Seller may request in writing from Buyer a copy of the commitment letter. If Buyer fails to provide Seller a copy of the commitment letter within five (5) days of receipt of Seller's request, then Seller may terminate this Agreement by written notice to Buyer at any time thereafter, provided Seller has not then received a copy of the commitment letter, and Buyer shall receive a return of Earnest Money.

(b) **Qualification for Financing:** If Buyer is to assume any indebtedness in connection with payment of the Purchase Price, Buyer agrees to use its best efforts to qualify for the assumption. Should Buyer fail to qualify, Buyer shall notify Seller in writing immediately upon lender's decision, whereupon this Agreement shall terminate, and Buyer shall receive a return of Earnest Money.

(c) **Title Examination:** After the Contract Date, Buyer shall, at Buyer's expense, cause a title examination to be made of the Property before the end of the Examination Period. In the event that such title examination shall show that Seller's title is not fee simple marketable and insurable, subject only to Permitted Exceptions, then Buyer shall promptly notify Seller in writing of all such title defects and exceptions, in no case later than the end of the Examination Period, and Seller shall have thirty (30) days to cure said noticed defects. If Seller does not cure the defects or objections within thirty (30) days of notice thereof, then Buyer may terminate this Agreement and receive a return of Earnest Money (notwithstanding that the Examination Period may have expired). If Buyer is to purchase title insurance, the insuring company must be licensed to do business in the state in which the Property is located. Title to the Property must be insurable at regular rates, subject only to standard exceptions and Permitted Exceptions.

(d) **Same Condition:** If the Property is not in substantially the same condition at Closing as of the date of the offer, reasonable wear and tear excepted, then the Buyer may (i) terminate this Agreement and receive a return of the Earnest Money or (ii) proceed to Closing whereupon Buyer shall be entitled to receive, in addition to the Property, any of the Seller's insurance proceeds payable on account of the damage or destruction applicable to the Property.

Buyer Initials

DS  
ML

Seller Initials

Page 4 of 8

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(e) **Inspections:** Buyer, its agents or representatives, at Buyer's expense and at reasonable times during normal business hours, shall have the right to enter upon the Property for the purpose of inspecting, examining, performing soil boring and other testing, conducting timber cruises, and surveying the Property. Buyer shall conduct all such on-site inspections, examinations, soil boring and other testing, timber cruises and surveying of the Property in a good and workmanlike manner, shall repair any damage to the Property caused by Buyer's entry and on-site inspections and shall conduct same in a manner that does not unreasonably interfere with Seller's or any tenant's use and enjoyment of the Property. In that respect, Buyer shall make reasonable efforts to undertake on-site inspections outside of the hours any tenant's business is open to the public and shall give prior notice to any tenants of any entry onto any tenant's portion of the Property for the purpose of conducting inspections. Upon Seller's request, Buyer shall provide to Seller evidence of general liability insurance. Buyer shall also have a right to review and inspect all contracts or other agreements affecting or related directly to the Property and shall be entitled to review such books and records of Seller that relate directly to the operation and maintenance of the Property, provided, however, that Buyer shall not disclose any information regarding this Property (or any tenant therein) unless required by law and the same shall be regarded as confidential, to any person, except to its attorneys, accountants, lenders and other professional advisors, in which case Buyer shall obtain their agreement to maintain such confidentiality. Buyer assumes all responsibility for the acts of itself, its agents or representatives in exercising its rights under this Section 6(e) and agrees to indemnify and hold Seller harmless from any damages resulting therefrom. This indemnification obligation of Buyer shall survive the Closing or earlier termination of this Agreement. Buyer shall, at Buyer's expense, promptly repair any damage to the Property caused by Buyer's entry and on-site inspections. Except as provided in Section 6(c) above, Buyer shall have from the Contract Date through the end of the Examination Period to perform the above inspections, examinations and testing. **IF BUYER CHOOSES NOT TO PURCHASE THE PROPERTY, FOR ANY REASON OR NO REASON, AND PROVIDES WRITTEN NOTICE TO SELLER THEREOF PRIOR TO THE EXPIRATION OF THE EXAMINATION PERIOD, THEN THIS AGREEMENT SHALL TERMINATE, AND BUYER SHALL RECEIVE A RETURN OF THE EARNEST MONEY.**

**Section 7. Leases (Check one of the following, as applicable):**

☐ If this box is checked, Seller affirmatively represents and warrants that there are no Leases (as hereinafter defined) affecting the Property.

☒ If this box is checked, Seller discloses that there are one or more leases affecting the Property (oral or written, recorded or not - "Leases") and the following provisions are hereby made a part of this Agreement.

(a) A list of all Leases shall be set forth on **Exhibit B**;

(b) Seller shall deliver copies of any Leases to Buyer pursuant to Section 4 as if the Leases were listed therein;

(c) Seller represents and warrants that as of the Contract Date there are no current defaults (or any existing situation which, with the passage of time, or the giving of notice, or both, or at the election of either landlord or tenant could constitute a default) either by Seller, as landlord, or by any tenant under any Lease ("Lease Default"). In the event there is any Lease Default as of the Contract Date, Seller agrees to provide Buyer with a detailed description of the situation in accordance with Section 4. Seller agrees not to commit a Lease Default as Landlord after the Contract Date, and agrees further to notify Buyer immediately in the event a Lease Default arises or is claimed, asserted or threatened to be asserted by either Seller or a tenant under the Lease.

(d) In addition to the conditions provided in Section 6 of this Agreement, this Agreement and the rights and obligations of the parties under this Agreement are hereby made expressly conditioned upon the assignment of Seller's interest in any Lease to Buyer in form and content acceptable to Buyer (with tenant's written consent and acknowledgement, if required under the Lease), and Seller agrees to use its best efforts to effect such assignment. Any assignment required under this Section 7 shall be required to be delivered at or before Closing by Seller in addition to those deliveries required under Section 11 of this Agreement.

(e) Seller agrees to deliver an assignment of any Lease at or before Closing, with any security deposits held by Seller under any Leases to be transferred or credited to Buyer at or before Closing. Seller also agrees to execute and deliver (and work diligently to obtain any tenant signatures necessary for same) any estoppel certificates and subordination, nondisturbance and attornment agreements in such form as Buyer may reasonably request.

**Section 8. Environmental:** Seller represents and warrants that it has no actual knowledge of the presence or disposal, except as in accordance with applicable law, within the buildings or on the Property of hazardous or toxic waste or substances, which are defined as those substances, materials, and wastes, including, but not limited to, those substances, materials and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR Part 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302.4) and amendments thereto, or such substances, materials and wastes, which are or become regulated under any applicable local, state or federal law, including, without limitation, any material, waste or substance which is (i) petroleum, (ii) asbestos, (iii) polychlorinated biphenyls, (iv) designated as a Hazardous Substance pursuant to Section 311 of the

Buyer Initials ML

Seller Initials BS

Page 5 of 8

STANDARD FORM 580-T

Revised 7/2013

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CHRIS- 489 N

Clean Water Act of 1977 (33 U.S.C. §1321) or listed pursuant to Section 307 of the Clean Water Act of 1977 (33 U.S.C. §1317), (v) defined as a hazardous waste pursuant to Section 1004 of the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6903) or (vi) defined as a hazardous substance pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. §9601). Seller has no actual knowledge of any contamination of the Property from such substances as may have been disposed of or stored on neighboring tracts.

**Section 9. Risk of Loss/Damage/Repair:** Until Closing, the risk of loss or damage to the Property, except as otherwise provided herein, shall be borne by Seller. Except as to maintaining the Property in its same condition, Seller shall have no responsibility for the repair of the Property, including any improvements, unless the parties hereto agree in writing.

**Section 10. Earnest Money Disbursement:** In the event that any of the conditions hereto are not satisfied, or in the event of a breach of this Agreement by Seller, then the Earnest Money shall be returned to Buyer, but such return shall not affect any other remedies available to Buyer for such breach. In the event this offer is accepted and Buyer breaches this Agreement, then the Earnest Money shall be forfeited, but such forfeiture shall not affect any other remedies available to Seller for such breach. **NOTE:** In the event of a dispute between Seller and Buyer over the return or forfeiture of Earnest Money held in escrow by a licensed real estate broker, the broker is required by state law to retain said Earnest Money in its trust or escrow account until it has obtained a written release from the parties consenting to its disposition or until disbursement is ordered by a court of competent jurisdiction, or alternatively, the party holding the Earnest Money may deposit the disputed monies with the appropriate clerk of court in accordance with the provisions of N.C.G.S. §93A-12.

**Section 11. Closing:** At or before Closing, Seller shall deliver to Buyer a general warranty deed unless otherwise specified on Exhibit B and other documents customarily executed or delivered by a seller in similar transactions, including without limitation, a bill of sale for any personalty listed on Exhibit A, an owner's affidavit, lien waiver forms (and such other lien related documentation as shall permit the Property to be conveyed free and clear of any claim for mechanics' liens) and a non-foreign status affidavit (pursuant to the Foreign Investment in Real Property Tax Act), and Buyer shall pay to Seller the Purchase Price. At Closing, the Earnest Money shall be applied as part of the Purchase Price. The Closing shall be conducted by Buyer's attorney or handled in such other manner as the parties hereto may mutually agree in writing. Possession shall be delivered at Closing, unless otherwise agreed herein. The Purchase Price and other funds to be disbursed pursuant to this Agreement shall not be disbursed until Closing has taken place.

**Section 12. Notices:** Unless otherwise provided herein, all notices and other communications which may be or are required to be given or made by any party to the other in connection herewith shall be in writing and shall be deemed to have been properly given and received on the date delivered in person or deposited in the United States mail, registered or certified, return receipt requested, to the addresses set out in Section 1(g) as to Seller and in Section 1(h) as to Buyer, or at such other addresses as specified by written notice delivered in accordance herewith.

**Section 13. Entire Agreement:** This Agreement constitutes the sole and entire agreement among the parties hereto and no modification of this Agreement shall be binding unless in writing and signed by all parties hereto. The invalidity of one or more provisions of this Agreement shall not affect the validity of any other provisions hereof and this Agreement shall be construed and enforced as if such invalid provisions were not included.


**Section 14. Enforceability:** This Agreement shall become a contract when signed by both Buyer and Seller and such signing is communicated to both parties; it being expressly agreed that the notice described in Section 12 is not required for effective communication for the purposes of this Section 14. The parties acknowledge and agree that: (i) the initials lines at the bottom of each page of this Agreement are merely evidence of their having reviewed the terms of each page, and (ii) the complete execution of such initials lines shall not be a condition of the effectiveness of this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, successors and assigns and their personal representatives.

**Section 15. Adverse Information and Compliance with Laws:**

(a) **Seller Knowledge:** Seller has no actual knowledge of (i) condemnation(s) affecting or contemplated with respect to the Property; (ii) actions, suits or proceedings pending or threatened against the Property; (iii) changes contemplated in any applicable laws, ordinances or restrictions affecting the Property; or (iv) governmental special assessments, either pending or confirmed, for sidewalk, paving, water, sewer, or other improvements on or adjoining the Property, and no pending or confirmed owners' association special assessments, except as follows (Insert "None" or the identification of any matters relating to (i) through (iv) above, if any):

**NONE**

Buyer Initials 

Seller Initials 

Page 6 of 8

**STANDARD FORM 580-T**  
**Revised 7/2013**



**Note:** For purposes of this Agreement, a "confirmed" special assessment is defined as an assessment that has been approved by a governmental agency or an owners' association for the purpose(s) stated, whether or not it is fully payable at time of closing. A "pending" special assessment is defined as an assessment that is under formal consideration by a governing body. Seller shall pay all owners' association assessments and all governmental assessments confirmed as of the date of Closing, if any, and Buyer shall take title subject to all pending assessments disclosed by Seller herein, if any.

Seller represents that the regular owners' association dues, if any, are \$ N/A per N/A.

(b) **Compliance:** To Seller's actual knowledge, (i) Seller has complied with all applicable laws, ordinances, regulations, statutes, rules and restrictions pertaining to or affecting the Property; (ii) performance of the Agreement will not result in the breach of, constitute any default under or result in the imposition of any lien or encumbrance upon the Property under any agreement or other instrument to which Seller is a party or by which Seller or the Property is bound; and (iii) there are no legal actions, suits or other legal or administrative proceedings pending or threatened against the Property, and Seller is not aware of any facts which might result in any such action, suit or other proceeding.

**Section 16. Survival of Representations and Warranties:** All representations, warranties, covenants and agreements made by the parties hereto shall survive the Closing and delivery of the deed. Seller shall, at or within six (6) months after the Closing, and without further consideration, execute, acknowledge and deliver to Buyer such other documents and instruments, and take such other action as Buyer may reasonably request or as may be necessary to more effectively transfer to Buyer the Property described herein in accordance with this Agreement.

**Section 17. Applicable Law:** This Agreement shall be construed under the laws of the state in which the Property is located. This form has only been approved for use in North Carolina.

**Section 18. Assignment:** This Agreement is freely assignable unless otherwise expressly provided on Exhibit B.

**Section 19. Tax-Deferred Exchange:** In the event Buyer or Seller desires to effect a tax-deferred exchange in connection with the conveyance of the Property, Buyer and Seller agree to cooperate in effecting such exchange; provided, however, that the exchanging party shall be responsible for all additional costs associated with such exchange, and provided further, that a non-exchanging party shall not assume any additional liability with respect to such tax-deferred exchange. Seller and Buyer shall execute such additional documents, at no cost to the non-exchanging party, as shall be required to give effect to this provision.

**Section 20. Memorandum of Contract:** Upon request by either party, the parties hereto shall execute a memorandum of contract in recordable form setting forth such provisions hereof (other than the Purchase Price and other sums due) as either party may wish to incorporate. Such memorandum of contract shall contain a statement that it automatically terminates and the Property is released from any effect thereby as of a specific date to be stated in the memorandum (which specific date shall be no later than the date of Closing). The cost of recording such memorandum of contract shall be borne by the party requesting execution of same.

**Section 21. Authority:** Each signatory to this Agreement represents and warrants that he or she has full authority to sign this Agreement and such instruments as may be necessary to effectuate any transaction contemplated by this Agreement on behalf of the party for whom he or she signs and that his or her signature binds such party.

**Section 22. Brokers:** Except as expressly provided herein, Buyer and Seller agree to indemnify and hold each other harmless from any and all claims of brokers, consultants or real estate agents by, through or under the indemnifying party for fees or commissions arising out of the sale of the Property to Buyer. Buyer and Seller represent and warrant to each other that: (i) except as to the Brokers designated under Section 1(f) of this Agreement, they have not employed nor engaged any brokers, consultants or real estate agents to be involved in this transaction and (ii) that the compensation of the Brokers is established by and shall be governed by separate agreements entered into as amongst the Brokers, the Buyer and/or the Seller.

**Section 23. Attorneys Fees:** If legal proceedings are instituted to enforce any provision of this Agreement, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorneys fees and court costs incurred in connection with the proceeding.

☐ **EIFS/SYNTHETIC STUCCO:** If the adjacent box is checked, Seller discloses that the Property has been clad previously (either in whole or in part) with an "exterior insulating and finishing system" commonly known as "EIFS" or "synthetic stucco". Seller makes no representations or warranties regarding such system and Buyer is advised to make its own independent determinations with respect to conditions related to or occasioned by the existence of such materials at the Property.

Buyer Initials ML Page 7 of 8 Seller Initials RS

STANDARD FORM 580-T

Revised 7/2013

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CHRIS- 489 N

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. AND THE NORTH CAROLINA BAR ASSOCIATION MAKE NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION. IF YOU DO NOT UNDERSTAND THIS FORM OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

**BUYER:**

**Individual**

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Business Entity**

**CITY OF KANNAPOLIS**  
(Name of Entity)  
By: Mike Legg  
B937160E2B884E7...

Name: **MIKE LEGG**

Title: **CITY MANAGER**

Date: **June 5, 2017**

**SELLER:**

**Individual**

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Business Entity**

**FRANKLIN HEIGHTS BAPTIST CHURCH**  
(Name of Entity)  
By: Bobby Sidden

Name: **Bobby Sidden**

Title: **Trustee**

06/05/2017  
10:21 PM GMT

The undersigned hereby acknowledges receipt of the Earnest Money set forth herein and agrees to hold said Earnest Money in accordance with the terms hereof.

**Allen Tate Co.**  
(Name of Firm)

Date: \_\_\_\_\_

By: \_\_\_\_\_

## EXHIBIT B

**Item 1: For the contract:**

Upon execution of this Contract, Buyer shall deposit the Earnest Money with the Escrow Agent. During the first forty-five (45) days of the Examination Period ending, and ending at midnight on the 45<sup>th</sup> day, the Earnest Money is refundable to Buyer should Buyer choose not to proceed with this transaction for any reason or no reason.

After the 45th day of the Examination Period, Five Thousand Dollars (\$5,000.00) of the Earnest Money is non-refundable to Buyer and shall become the property of the Seller except as otherwise provided in section (10) of this Contract. After midnight on the sixtieth day (60th) day of the Examination Period, the remaining \$5,000.00 of the Earnest Money is non-refundable to Buyer and shall become the property of the Seller except as otherwise provided in section (10) of this Contract.

**Item 2: Confirmation by email:**

Upon written acknowledgement of both party's intent to accept the terms of this Contract and prior to execution of the contract, Buyer's Agent will communicate the identity of its Buyer and proposed use of the Property.

**BUYER:**

**Business Entity: City of Kannapolis**

DocuSigned by:  
By:   
B937150E2B864E7...

**Name: Mike Legg**

**Title: City Manager**

**Date:** 6/5/2017

**SELLER:**

**Business Entity: Franklin Heights Baptist Church**

By:  

**Name: Bobby Sidden**

**Title: Trustee**

**Date:** 06/05/2017  
10:21 PM GMT





**City of Kannapolis  
City Council Meeting  
August 28, 2017  
Staff Report**

**TO:** Mayor and City Council  
**FROM:** Eric Davis Finance Director  
**TITLE:** Budget Amendment

**A. Action Requested by City Council**

**B. Required Votes to Pass Required Action**

Majority present at meeting

**C. Background**

**D. Fiscal Considerations**

**E. Policy Issues**

**F. Legal Issues**

**G. Alternative Courses of Action and Recommendation**

**ATTACHMENTS:**

File Name

□ Budget\_Amendment\_#18-4.pdf

**ORDINANCE AMENDING BUDGET FOR THE  
CITY OF KANNAPOLIS, NORTH CAROLINA  
FOR THE FISCAL YEAR BEGINNING JULY 1, 2017  
AND ENDING JUNE 30, 2018  
Amendment # 18-4**

**BE IT ORDAINED** by the City Council of the City of Kannapolis, North Carolina meeting in open session this 28<sup>th</sup> day of August 2017, that the following amendment to the Budget Ordinance for the City of Kannapolis, North Carolina for the Fiscal Year beginning July 1, 2017 and ending June 30, 2018 is hereby adopted:

**SECTION I - Downtown Fund**

Expenditures:

Increase Capital Outlay - Buildings	
Expenditure: 80000-59300	\$895,000

Revenues:

Increase Proceeds from Debt Financing	
Revenue: 80095-39000	\$895,000

This ordinance is approved and adopted this 28<sup>th</sup> day of August, 2017.

---

Milton D. Hinnant, Mayor

**ATTEST:**

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Bridgette Bell, MMC  
City Clerk



**City of Kannapolis  
City Council Meeting  
August 28, 2017  
Staff Report**

**TO:** Mayor and City Council  
**FROM:** Wilmer Melton, III - Director of Public Works  
**TITLE:** North Carolina Department of Transportation Project Update

**A. Action Requested by City Council**

Information Only. No action is required

**B. Required Votes to Pass Required Action**

Presentation Only, no action required

**C. Background**

Presentation to City Council regarding various North Carolina Department of Transportation projects within the City of Kannapolis.

**D. Fiscal Considerations**

None.

**E. Policy Issues**

None.

**F. Legal Issues**

None.

**G. Alternative Courses of Action and Recommendation**

Information Only. No action is required

**ATTACHMENTS:**

File Name

No Attachments Available



**City of Kannapolis  
City Council Meeting  
August 28, 2017  
Staff Report**

**TO:** Mayor and City Council  
**FROM:** Sherry Gordon, Community Development Administrator  
**TITLE:** CDBG Non-Profit Grant Applications

**A. Action Requested by City Council**

**Motion to approve the Citizen's Advisory Commission for Community Development's funding recommendations for area non-profit organizations to receive CDBG Public Service funds.**

**B. Required Votes to Pass Required Action**

Majority present at meeting

**C. Background**

As a HUD Entitlement City, we can budget up to 15% of our annual grant allocation for non-profit public service activities that benefit low and moderate income citizens. We received 27 applications. The Citizen's Advisory Commission recommends funding 10 of these organizations based on the use of funds and the track record of the organizations.

**D. Fiscal Considerations**

The City's FY 2017-18 CDBG budget includes \$50,000 for non-profit service contracts. No additional funding appropriation is required.

**E. Policy Issues**

None

**F. Legal Issues**

None



<b>G. Alternative Courses of Action and Recommendation</b>
--

- 1) Approve the recommendations as presented. Recommended**
- 2) Adjust the amounts to fund non-profit organizations
- 3) Do nothing. The City is not required to fund any non-profit organizations with CDBG funds.

ATTACHMENTS:

File Name

- 📎 2017Background-application.pdf
- 📎 2017\_CDBG\_Nonprofit\_Grant\_Application.pdf

**CDBG Nonprofit Funding Recommendations  
FY 2017-2018**

**Background:** As a HUD Entitlement City, Kannapolis can budget up to 15% of its annual grant allocation for Public Service activities that are made available to low and moderate income residents of Kannapolis and are carried out by non-profit agencies. We will receive \$336,305 in CDBG funds. This year, the amount made available for public services is \$50,000. Requests for proposals were advertised to area non-profit organizations and the following agencies applied for funding:

Agency	Requests	Recommendation	Activity Description
Academic Learning Ctr	\$ 5,000 Sustaining	\$5000	The ALC is currently serving all five elementary schools in the KCS. The ALC afterschool programs are located in the elementary Title I schools of Cabarrus County with the highest free and reduced lunch percentages, a measure of poverty. The funds requested would be used to pay stipends for certified teachers to deliver instruction during the after school hours. Also, funds will be allocated to these two schools to purchase instructional materials, such as novel sets, guided workbooks, etc. and an allowance would be given to the student to purchase a personal reading book of their choice at the schools book fair. (Goal is to serve 248 Kannapolis clients)
American Red Cross	\$3815 Sustaining	0	To provide 250 smoke alarm installations in the City in 2018 in partnership with fire dept. (Goal is to serve 84 households)
Big Brothers Big Sisters	\$5,000 Start up	0	Funds will be used to help launch a Bigs in Blue mentoring program at Forest Park Elementary School which pairs student with police officers in one-on-one mentoring relationships one hour a week. (Goal is to serve 20 students)
*Cabarrus Cooperative Christian Ministry	\$ 5,000 Sustaining \$15,000 Start up	\$5000	\$5,000 – The City funds will be used to assist individuals and families in crisis, with a goal of avoiding utility shutoffs, evictions and life-saving medications. (Goals is to serve 230 families)  \$15,000 – CCM will implement a new strategy to improve program services and create a Program Services Coordinator position. This coordinator will engage partners and other community resources to create new training or counseling initiatives to address deficiencies in educational, emotional and developmental experience or families served in program. (Goal is to serve 25 households)
Cabarrus Health Alliance	\$5,000 Sustaining	\$5000	Comprehensive dental health that includes an exam, x-rays, cleaning, fluoride and restorative treatment and extraction for high need students. (Goal is to serve 20 households)

Cabarrus Meals on Wheels	\$ 5,000 Sustaining	\$5000	Funds to help defray the meal costs of senior citizen clients who require financial assistance. (Goal is to serve 10 households)
Cabarrus Partnership for Children	\$2,500 Sustaining	0	Funds to be used for Kindergarten Camp at Shady Brook Elementary. (Goal to serve 18 households)
Cannon Memorial YMCA	\$ 5,000 Start up	0	The grant funds would be used for mower and irrigation system/supplies. (Goal is to serve 500 households)
Capstone Climbing	\$15,000 Start up	0	Funds to be used for students to participate in a daylong outdoor educational experience addressing: Nutrition and Exercise; Diversity and Inclusion; Interpersonal skills and Environmental Education. (Goal is to serve 1000 students)
**Genesis Counseling	\$5,000 Sustaining \$ 15,000 Start up	0	\$5,000 – Funds will be used to fund treatment using outpatient services for those trapped in a lifestyle of substance abuse. (Goal is to serve 60)  \$15,000 – To start a new program named F.I.T. – Family Intervention Treatment. 4 to 6 month counseling with focus on areas of dysfunction in families, specifically on substance abuse. (Goal is to serve 8 households)
**Jr. Achievement	\$5,000 Sustaining	0	To offer Junior Achievement model of engaging corporate and community volunteers to deliver grade specific curricula addressing economics, personal finance and workforce development in a one day program at Woodrow Wilson Elem. And Jackson Park Elementary. (Goal is to serve 1000 students)
Jr. Charity League	\$ 5,000 Sustaining	0	Funds will be used to purchase school uniforms, or any weather-appropriate clothing items. Polo shirts & uniform pants, tennis shoes, socks, sweatshirts, etc. and toiletry items (Goal is to serve 350 households)
**Main Street Mission	\$5,000 Sustaining \$15,000 Start up	0	\$5,000 – Funds to be used for Bridge Builder's Initiative which is a 15 week class that provides tools and resources to move to a more stable life. (Goal is to serve 30 households)  \$15,000 – Funds to be used towards capital campaign to remodel newly purchased bldg.
Midway's Opportunity House	\$5,000 Sustaining	\$5000	Funds for salary for PT case worker; medical testing supplies, equipment & meds; expansion of feeding program; transportation needs for satellite campus at Living Water Church. (Goal is to serve 800 residents)
**Novant Health Foundation – Rowan Medical	\$15,000 Start-up	\$6000	Funds will be used to provide free screenings, education/coaching and primary care referrals to populations disproportionately affected by diabetes, hypertension and obesity. (Goal is to serve 350 households)

**Operation Homeless, Inc.	\$ 5,000 Sustaining	\$5000	\$5,000 - Funds are needed to supplement the donations from our Refuge Partners in order to continue to feed the hungry by soup kitchen. Funds to pay rent, utilities, phone, purchase of additional food items needed in preparing the meals. (Goal is to serve 9000 clients)
Prevent Child Abuse Rowan	\$ 5,000 Sustaining	\$5000	Funds will be used to support The Terrie Hess House Child Advocacy Center a child-friendly environment where child victims of sexual and physical abuse and their non-offending caregivers receive forensic interviewing, victim advocacy, medical evaluation an mental health intervention service at no cost. (Goal is to serve 30 households)
**Project Bridge	\$15,000 Start up	0	Funds to be used to start an afterschool program in the Cabarrus Arms Apt. (Goal is to serve 100 students)
Prosperity Unlimited, Inc.	\$5,000 Sustaining	\$4000	Funds will be used to provide pre-purchase, delinquency, foreclosure, budget and credit counseling. (Goal is to serve 134 households)
**Rowan County Health Dept.	\$15,000 Start up	0	Funds to be used to provide prenatal dental care for women. (Goal is to serve 20 households)
**Rowan Helping Ministries	\$5,000 Sustaining	0	Funds to be used to assist with rent payments and water utility payments. (Goal is to serve 160 households)
Sandhills Adult & Teen Challenge of Kannapolis	\$15,000 Start up	0	Funds will be used to expand operation from outreach and referral to residential recovery center. Funds will be used for operational costs. (Goal – Not determined)
**Transforming Youth Movement	\$15,000 Start up	0	Funds to be used to provide life skills program program to serve youth 10-17 years old in Cabarrus Arms Apt. (Goal is to serve 40 households)
Vision for Life of Kannapolis	\$ 5,000 Sustaining	\$5000	\$5,000 - Funds will provide online and individual standard core, EOG readiness skills instruction for students in grades 2-8. This instruction will supplement the instruction received from school. VFLK will offer life/character & social skills preparedness, diversity appreciation, and homework completion and parenting/life skills involvement. (Goal is to serve 150 households)

**NOTE: \*Applied for both grants**  
**\*\*1<sup>st</sup> time applicant**

**Evaluation:** We received 27 applications for a total of \$227,423 (4 agencies submitted applications for both grants)

**Recommendation:** The Commission recommends funding 10 eligible agencies for FY 17-18 as listed in the chart above.



## GRANT APPLICATION GUIDELINES

### FY 2017-18 Community Development Block Grant Public Service Activities

#### Key Information

**Total funds available:** Estimated amount \$50,000

**Application deadline:** Must be received by **5:00 pm, March 31, 2017**

**Eligible applicants:** Non-profits registered as 501(c)3 organizations

*All requested funds will be evaluated and recommended based upon their own merit. Applying for funds is in no way a guarantee for future funding. The City Council reserves all rights to fund fully, partially, or none of agency requests.*

**PLEASE NOTE THAT APPLICATIONS THAT DO NOT RECEIVE FUNDING MAY BE ELIGIBLE FOR A 2ND ROUND OF FUNDS TBA IN JULY 2017**

**Nonprofit agencies may apply for funding under any one or both types of grants but will only be awarded one grant request:**

#### **Start-up grant for new programs or new nonprofit agencies (up to \$15,000)**

- A grant for new agencies.
- A grant for new programs within established nonprofit agencies.
- Programs are only eligible within the first two years of existence.
- If a second consecutive year of funding is approved, this amount shall be no more than 50% of the initial year's funding.

#### **Sustaining grant (up to \$5,000)**

- These grants fund core operational expenses such as overhead costs including rent, utilities, director's salaries, phone, etc.
- Agencies must be providing an essential service that the City would have to provide at a potentially greater expense if the nonprofit agency were not available to do so.

**Submission instructions:** All applications must be typed. If necessary, provide additional information as attachments. Separate applications **must be** submitted for each grant request.

Email applications to: [sgordon@kannapolisnc.gov](mailto:sgordon@kannapolisnc.gov).



Hard copies can be mailed to:

City of Kannapolis  
ATTN: Sherry Gordon  
401 Laureate Way  
Kannapolis, NC 28081

**NOTE:** It is the applicant's responsibility to confirm receipt of emailed/hard copy applications.

**Award date:** By June 30, 2017

**Timeframe of project implementation:** July 1, 2017 through June 30, 2018. No project expenses incurred prior to or after the time frame are eligible for reimbursement.

**Obtaining application:** Download from [www.kannapolisnc.gov](http://www.kannapolisnc.gov) or request from contact below.

**Contact:** Sherry Gordon, Community Development Program Administrator  
[sgordon@kannapolisnc.gov](mailto:sgordon@kannapolisnc.gov) or 704-920-4332

## **Overview**

The City of Kannapolis receives a Community Development Block Grant (CDBG) annually from the U.S. Department of Housing and Urban Development (HUD) to fund activities that benefits low and moderate income (LMI) residents of the city. The CDBG program provides Kannapolis with the opportunity to develop a strong community by funding activities that provide decent housing and a suitable living environment and by expanding economic opportunities for low and moderate income persons. Funds may be used to carry out a wide range of community development activities such as neighborhood revitalization, economic development, and the provision of improved community facilities and services.

The City uses a competitive application process to make a portion of its CDBG funds available to applicants in the form of public service grants.

To help potential applicants determine whether or not their project might be eligible for a grant, it is important to be familiar with the basic requirements of the Federal program that provides the funding for the grants. Potential applicants should also review the contractual requirements they will be expected to meet if they are selected for Federal funding.

## **CDBG National Objectives**

Federal legislation and regulations have established national objectives that all CDBG funded activities must meet. The City of Kannapolis must assure that all activities meet one of these two national objectives of the program. Each activity must: 1) benefit people with low and moderate incomes (LMI); 2) aid in the prevention of slums and blight. Activities that do not meet one of these two broad national objectives cannot be undertaken with CDBG funds.



**Low and Moderate Income Benefit:** Generally, public service activities meet the first requirement – benefit to LMI persons, or those whose family income is up to 80% of the area median income (AMI). For an activity to meet this objective, it must either have income eligibility requirements that limit the activity’s benefits to LMI persons, or the activity must be located in and serve an area that is predominantly inhabited by LMI residents. Under the CDBG regulations, programs that serve the elderly or adult persons with disabilities are usually considered to benefit low and moderate-income persons. The income limits that determine who is considered to have low and moderate incomes are shown below and are based on AMI:

### Low Income Limits (up to 50% AMI) 2016

		Kannapolis Residents within:	
		Cabarrus County	Rowan County
Household Size (Number of Household Members)	1-person	\$23,450	\$18,450
	2-person	\$26,800	\$21,100
	3-person	\$30,150	\$23,750
	4-person	\$33,500	\$26,350
	5-person	\$36,200	\$28,500
	6-person	\$38,900	\$30,600
	7-person	\$41,550	\$32,700
	8-person	\$44,250	\$34,800

### Moderate Income Limits (up to 80% AMI) 2016

		Kannapolis Residents within:	
		Cabarrus County	Rowan County
Household Size (Number of Household Members)	1-person	\$37,550	\$29,550
	2-person	\$42,900	\$33,750
	3-person	\$48,250	\$37,950
	4-person	\$53,600	\$42,150
	5-person	\$57,900	\$45,550
	6-person	\$62,200	\$48,900
	7-person	\$66,500	\$52,300
	8-person	\$70,800	\$55,650



## Eligible Activities

The CDBG regulations allow the use of grant funds for a wide range of public service activities, including, but not limited to:

- Employment services (e.g., job training);
- Crime prevention and public safety;
- Child care;
- Health services;
- Substance abuse services (e.g., counseling and treatment);
- Fair housing counseling;
- Education programs;
- Energy conservation;
- Services for senior citizens;
- Services for homeless persons;
- Welfare services (excluding income payments);
- Homebuyer down payment assistance; and
- Recreational services.

CDBG funds may be used to pay for labor, supplies, and material as well as to operate and/or maintain the portion of a facility in which the public service is located. This includes the lease of a facility, equipment, and other property needed for the public service.

## Ineligible Activities

The provision of “income payments” is an ineligible CDBG activity if these payments are provided as a grant. Income payments are payments to an individual or family, which are used to provide basic services such as food, shelter (including payment for rent, mortgage, and/or utilities) or clothing. However, such expenditures are eligible if the income payments do not exceed three consecutive months per client family and the payments are made directly to the provider of such services on behalf of an individual or family. Income payments that are provided as a loan are permissible within the public services cap.

Grant funds should be used for grant approved activities only. **Funds cannot be used to pay for food for special events.**

Political activities are ineligible.

While faith-based organizations may use CDBG funds to sponsor eligible community activities, the activities may not be religious in nature, directly or indirectly, or be limited to or predominantly for members of specific churches or religions.

CDBG funding recipients may not discriminate on the basis of race, gender, nationality, ethnicity, religion, creed, or disability.





## **Award Timeline**

The timeline for the application process is expected to be as follows:

- March 1 – Nonprofit organizations notified about application
- March 31 – Applications due by 5:00pm
- April – Staff reviews applications for completeness and eligibility
- May – Community Development Commission reviews applications, invite agencies for presentations
- By Mid-June – Community Development Commission makes funding recommendations to City Council
- By June 30 – City Council makes funding decisions

You will be notified as specific dates and decisions are determined.

## **Evaluation Criteria**

Applications will be reviewed by staff and the Community Development Commission (a citizens advisory group). The applications will be evaluated on the criteria listed below. Recommendations will be made to City Council for final decision.

- Completeness of application
- Eligibility of proposed service per HUD guidelines and City of Kannapolis direction
- Meeting CDBG national objectives
- Community need for proposed service/program
- Impact of the project in terms of number of people served, progress towards addressing homelessness or educational services
- Experience and track record of nonprofit agency

## **Contractual Requirements**

Each grantee selected to receive funds is required to sign a contract (subrecipient agreement) with the City. The contract will specify the amount of the award, the period for which the project is approved, the contract term and administrative provisions. Special conditions attached to the award will also be specified in the agreement. No costs incurred prior to the execution of an agreement with the City are reimbursable. The subrecipient may not change the terms or provisions in the contract or substitute approved budget line item expenditures without prior written approval by the City.

Grantees will be required to submit and file quarterly reports on expenditures and services. Staff will provide forms for these reports.

Projects under contract with the City must be in compliance with all applicable federal, state, and local laws, including nondiscrimination laws.



All recipients will be required to comply with the federal government's audit requirements as described in OMB Circular A-133 (for HUD's programs, these requirements are codified at [24 CFR Part 84](#).) All recipients must provide the most recent audited financial statement.

### **Disbursement of Funds**

**Subrecipients will be reimbursed for expenses incurred in accordance with the contract's scope of services and budget. Presentation of paid receipts and paid invoices for eligible expenses and a detailed description of expenditures will be required. The City makes the final decision whether a tendered receipt is eligible and valid. Availability of the CDBG funds from HUD may delay the reimbursement. City staff will make every attempt to reimburse subrecipients in a timely manner.**

Subrecipients will be expected to spend the grant in a timely manner by June 30, 2018. Subrecipients who cannot spend all or part of their grant must notify the City so that unneeded funds may be reallocated.

### **Records and Reports**

The subrecipient is required to maintain and report demographics and statistics of its project beneficiaries, regardless of the amount of the grant, and to make quarterly reports to the City describing its expenditures and services. The subrecipient must agree to maintain its project records and copies of reports for a minimum of three years. Subrecipients who are late with reports may be suspended from applying for future CDBG funds during the next funding round.

### **Audits, Inspections, and Monitoring**

The City will audit and/or monitor the progress of the subrecipient via quarterly reports, telephone calls, and on-site monitoring visits. The subrecipient must facilitate monitoring visits and have appropriate records and copies of reports available for inspection upon request by the City and/or HUD.

**CITY OF KANNAPOLIS**  
**FY 2017-18 COMMUNITY DEVELOPMENT BLOCK GRANT**  
**PUBLIC SERVICES: EXTERNAL AGENCY FUNDING APPLICATION**

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**Agency Information**

1. Agency Name: \_\_\_\_\_
2. Mailing Address: \_\_\_\_\_
3. Physical Address, if different: \_\_\_\_\_
4. Main Phone #: \_\_\_\_\_
5. Website: \_\_\_\_\_
5. Contact Person and Title: \_\_\_\_\_
6. Contact's Phone #: \_\_\_\_\_
7. Contact's Email: \_\_\_\_\_
8. Agency's Director: \_\_\_\_\_
9. Federal Tax ID Number: \_\_\_\_\_
10. Amount of City Funding Appropriated in FY 2015-2016: \_\_\_\_\_
11. Amount of City Funding Appropriated in FY 2016-2017: \_\_\_\_\_
12. **Amount of City Funding Requested for FY 2017-2018**: \_\_\_\_\_
13. Provide a brief overview of your agency and its mission.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
14. What type of grant are you requesting: **(see Appendix A)**

**SEPARATE APPLICATIONS MUST BE SUBMITTED FOR EACH GRANT REQUEST**

Please specify:

Start-up Grant for a New Program ☐

Start-up Grant for a New Nonprofit Agency ☐

Sustaining Grant ☐

15. List your agency's top three to five sources of funding, starting with your largest source of funding. Provide the name/description of the source and the amount.

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## Program Information

16. Give a description of the program/project/service for which you are requesting funds.

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17. Is this a: New project/program ☐ Existing/ongoing project/program ☐

18. If this is an existing program, did your agency receive any funds (other than CDBG) from the City of Kannapolis for this program between May15, 2016 and May 15, 2017? Yes ☐ No ☐

19. If yes, please explain the source, amount, and purpose of the funds.

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20. Why are City of Kannapolis funds being requested, and how would those funds be used?

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21. Provide a summary of your agency's experience and track record in carrying out the proposed program/project/services.

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22. For existing programs, provide the accomplishments of your program in terms of the number of clients served in Kannapolis, impact of your agency's work, and any other metrics.

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23. Describe the population of clients who will be served with the proposed program/project/service. (Discuss age, gender, race disability, etc along with unique characteristics such as special needs, risk factors, barriers, etc.)

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24. What is the geographic service area of this project/program?

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25. Please provide the total number of unduplicated households or persons expected to be served with this project/program (including non-City funding sources). See HUD income limits in Application Guidelines to determine income categories for your clients.

<b>Income Level of Clients (Households or Persons)</b>	<b>City of Kannapolis Residents or Households</b>	<b>Non-City Residents or Households</b>	<b>Total</b>
Total number of clients to be served			
Extremely low to low income (0 to 50% of median income)			
Low to moderate income (51 to 80% of median income)			

26. Of the City of Kannapolis residents to be served, how many households or residents can be served with the grant amount you are requesting from the City? \_\_\_\_\_ How many of these are estimated to be low and moderate income (LMI) – up to 80% of area median income? \_\_\_\_\_
27. National Objective Qualifiers: In order to be considered as benefiting low and moderate income (LMI) persons (up to 80% of area median income), the proposed activity must fall into one of the categories below. Please check the applicable box.

☐ A: Area Benefit – At least 51% of the residents within the targeted geographic area are LMI income persons (up to 80% of area median income). The activity may be available to all persons in the area regardless of income. Be sure to describe the specific geographic area as requested in question 21.

☐ B: Limited Clientele – To qualify under this subcategory, a limited clientele activity must meet one of the following tests. Please check the appropriate box.

☐ i: Clientele must be one of the following groups presumed to be LMI: abused children; elderly persons; battered spouses; homeless persons; adults meeting Bureau of Census' definition of severely disabled persons; illiterate adults; persons living with AIDS; or migrant farm workers.

☐ ii: Clientele must be at least 51% LMI.

☐ iii: The activity must have income-eligibility requirements which limit the service to persons meeting the LMI income requirement, as evidenced by the administering agency's procedures, intake/application forms, income limits, and other sources of documentation.

☐ iv: The activity must be of such a nature that it may be reasonable to conclude that the clientele will be LMI persons.

28. Unless you checked B. i.) above (groups presumed to be LMI), please indicate how you will verify that your program is serving LMI clientele. (i.e. pay stubs/wage statements, W-2s, income tax returns, social security documents, bank statements, support check documents, or other)

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29. Describe the outcomes you hope to achieve with this project/program.

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30. How will you measure whether the outcomes have been achieved? Describe the indicators and how you plan to track them.

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31. What other area agencies provide similar services?

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Financial Management

32. Is your agency:

- a. Licensed or Certified by the State of North Carolina? Yes ☐ No ☐
- b. Chartered as a nonprofit corporation by the State of North Carolina? Yes ☐ No ☐
- c. A 501(c)(3) organization? Yes ☐ No ☐ Other: \_\_\_\_\_

33. How is your agency governed and managed?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

33. List the names and positions of members of the Board of Directors, officers, or employees of the organization who are on the City Council, Community Development Commission, or a City employee. If none, check here: NONE in organization ☐

Name	Position in Organization	Affiliation with City

Provide the name and title of all bonded agency officials responsible for the authorization of expenditures and the disbursal of funds, if any. Indicate the amount of each bond.

Name & Title

\_\_\_\_\_

\_\_\_\_\_

Bond Amount

\$ \_\_\_\_\_

\$ \_\_\_\_\_

Does a licensed CPA perform an annual audit for all funds handled by your agency? Yes ☐ No ☐

## Budget

Please provide the revenue sources and amounts for the proposed program/project/service in the table below.

Sources of Revenues	Column (A) City of Kannapolis	Column (B) Other Sources	Committed - C or Tentative - T	Col. (A) + (B) Total
TOTAL PROGRAM REVENUES				

Please provide information about the anticipated expenses for the proposed program/project/service from July 1, 2017 to June 30, 2018. In the Category column, indicate whether the expense is one of the following:

- Personnel services – Mark “P” in category
- Contracted services – Mark “C” in category
- Supplies & miscellaneous – Mark “S” in category

Category	Description of Expense	Amount
TOTAL	TOTAL EXPENSES	



## Certification of Application

I certify that to the best of my knowledge the information provided in this application is true. I understand that if awarded a CDBG grant, my agency will follow federal regulations and be responsible for significant reporting requirements. I understand all CDBG funded activities will directly benefit City of Kannapolis residents. I understand project funding is contingent of receiving funds from HUD through the CDBG Program.

\_\_\_\_\_ (name of organization requesting CDBG funds) hereby proposes to provide the services or project in accordance with this application for Community Development Block Grant Funds. If this application is approved and this organization for receives CDBG funding from the City of Kannapolis, this organization agrees to adhere to all relevant Federal, State and local regulations and other assurances as required by the City. Furthermore, as the duly authorized representative of the organization, I certify that the organization is fully capable of fulfilling its obligation under this application as stated herein.

I further certify that this application and the information contained herein are true, correct and complete.

I also authorize the following person(s) to have signatory authority regarding this grant:

Completed by: \_\_\_\_\_ Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

If selected, your agency must be prepared to submit the following:

- 1) Copy of your current 501(c)(3) or nonprofit status certification letter
- 2) List of Board of Directors
- 3) Organizational Chart
- 4) Current copy of agency's by-laws and articles of incorporation
- 5) Copy of current detailed budget
- 6) Most recent copy of the organization's independently audited financial statement *(which should include both a Schedule of Expenditures of Federal and State Awards, if rewards exceed \$500,000 in one fiscal year, and a Schedule of Findings and Questioned Costs. The audit should include a copy of the Corrective Action Plan, if the organization received a finding during the previous year's audit and a Summary Schedule of Prior Audit Findings, if applicable)*

Do not submit this information until requested. We anticipate contacting you to request this information in late May/June.

## **APPENDIX A: Grant Types**

### **Start-up grant for new programs or new nonprofit agencies**

- A grant for new programs within established nonprofit agencies.
- A grant for new nonprofit agencies.
- Programs are only eligible within the first two years of existence.
- If a second consecutive year of funding is approved, this amount shall be no more than 50% of the initial year's funding.

### **Sustaining grant**

- These grants fund core operational expenses such as overhead costs including rent, utilities, director's salaries, phone, etc.
- Agencies must be providing an essential service that the City would have to provide at a potentially greater expense if the nonprofit agency were not available to do so.



**City of Kannapolis  
City Council Meeting  
August 28, 2017  
Staff Report**

**TO:** Mayor and City Council  
**FROM:** Zachary D. Gordon, AICP Planning Director  
**TITLE:** TA-2017-06 - Public Hearing for Text Amendments

**A. Action Requested by City Council**

- 1. Hold Public Hearing for Case #TA 2017-06;**
- 2. Motion to adopt a Statement of Consistency for Case #TA 2017-06;**
- 3. Adopt an Ordinance to Amend Text of UDO for Case #TA 2017-06, as recommended by Planning and Zoning Commission.**

**B. Required Votes to Pass Required Action**

Majority present at meeting

**C. Background**

As the popularity of rural and outdoor weddings continues to increase, City staff have received numerous requests from property owners to establish wedding venues on their properties. Currently such uses are not listed as a permitted use, nor are they defined in the UDO. The UDO does permit events (including outdoor events) in conjunction with bed and breakfast inns if approved with a Conditional Use Permit (CUP). Staff has reviewed several surrounding municipalities, including Huntersville, Monroe, and Cabarrus County, in drafting the proposed ordinance.

The proposed amendment would define the outdoor venues as *Outdoor Banquet Facilities* and would permit them with a CUP on lots of 5 acres or greater in the AG (Agricultural District), RE (Rural Estate), RL (Residential Low Density), and RM-1 and RM-2 (Residential Medium Density) zoning districts. Staff is proposing the requirement for a CUP in order to provide neighboring property owners with the opportunity to provide their input to the Board of Adjustment regarding how they would be impacted by such uses. A CUP is also proposed due to the fact that each property will have unique characteristics which require review of their location, and the design and specifics of the facility. This amendment would also set supplemental use standards for outdoor banquet facilities, including standards on parking, screening, noise, and hours of operation.

**At their August 2, 2017 meeting, the Planning and Zoning Commission unanimously recommended approval of the proposed text amendments.**

#### **D. Fiscal Considerations**

None

#### **E. Policy Issues**

The proposed text amendments to the UDO for Table 4.6-1, Section 5.36 and Appendix A are shown in the attached Ordinance to Amend Text of UDO

#### **F. Legal Issues**

None

#### **G. Alternative Courses of Action and Recommendation**

Planning staff concurs with the recommendation of the Planning and Zoning Commission and recommends approval of the proposed text amendments to Table 4.6-1, Section 5.36, and Appendix A of the UDO as presented. The City Council may choose to either approve, or deny the text amendment as presented. City Council may also add, delete, or change any of the language as proposed.

#### **The following actions are required to recommend approval of TA 2017-06:**

1. Consider Resolution to Adopt a Statement of Consistency for TA 2017-06
2. Consider Ordinance to Amend Text of UDO, Table 4.6-1, Section 5.36, and Appendix A as recommended by the Planning and Zoning Commission.

#### **The following actions are required to recommend denial of TA 2017-06:**

1. Consider Resolution to not Adopt a Statement of Consistency for TA-2017-06
2. Consider motion to deny TA-2017-06

#### **ATTACHMENTS:**

##### **File Name**

- ❑ Application\_TA-2017-06.pdf
- ❑ TA-2017-06\_CC\_Legal\_Ad.pdf
- ❑ TA-2017-06\_CC\_Resolution\_for\_Statement\_of\_Consistency.pdf
- ❑ Ordinance\_to\_amend\_text\_of\_UDO\_-\_TA\_2017-06.pdf



**Planning and Zoning Commission and Board of Adjustment**  
**General Application Form**  
*(Not for Site Plan Review Submittals)*

Type of Action Requested (Check One):

Variance	_____	SIA Application	_____
Conditional Use Permit	_____	Nonconformity Adjustment	_____
Subdivision Exception	_____	Watershed Boundary Modification	_____
Zoning Text Amendment	<input checked="" type="checkbox"/>	Zoning Map Amendment	_____
Appeal	_____	Conditional Zoning Map Amendment	_____

Applicant: City of Kannapolis - Planning Dept Owner: \_\_\_\_\_

Address: 401 Laureate Way Address: \_\_\_\_\_

Kannapolis, NC 28081

Telephone: 704-920-4350 Telephone: \_\_\_\_\_

Email: zgordon@kannapolisnc.gov Email: \_\_\_\_\_

Legal relationship of applicant to property owner: \_\_\_\_\_

Property Location/Address: \_\_\_\_\_

Tax Parcel Number: \_\_\_\_\_ Zoning District: \_\_\_\_\_ Acreage of Site: \_\_\_\_\_

Zachary D. Gordon \_\_\_\_\_  
Applicant Name (Print) Property Owner Name (Print)

[Signature] 7-21-17 \_\_\_\_\_  
Applicant Signature & Date Property Owner Signature & Date

***The agenda deadline is the first day of the month preceding the month of the meeting. To be considered for placement on the next meeting agenda, the signed application, application fee, and five (5) copies of any required site plans for staff review must be submitted by the deadline. However, to remain on the next meeting agenda, fifteen (15) copies of such plans, determined by staff to conform to all ordinance standards, must be submitted at least ten (10) days before the meeting date. All fees are nonrefundable and help to cover administrative and notification costs.***

For Staff Use Only:

Filing Fee: \_\_\_\_\_ Receipt # \_\_\_\_\_

Application No.: \_\_\_\_\_ Date Submitted (Complete): \_\_\_\_\_



## CITY OF KANNAPOLIS

### AN APPLICATION TO AMEND THE TEXT OF THE UNIFIED DEVELOPMENT ORDINANCE

I Zachary D. Gordon, City of Kannapolis, hereby make application for an amendment to the following section(s) of the Unified Development Ordinance:

Article 4, Table 4.6-1; Article 5, Section 5.36; and Appendix A

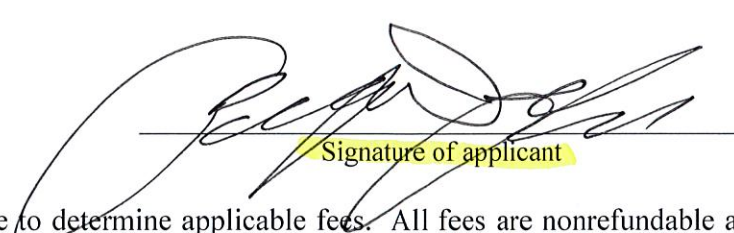
In the space provided below, or on a separate sheet, present your requested text for the Ordinance provisions in question:

See attached text

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State your reasons for amending the text of the Ordinance:

To create a definition of "outdoor banquet facilities" and to allow such uses as a Conditional Use with Supplemental Use Regulations in certain zoning districts of the City.



Signature of applicant

**Fee:** Please refer to fee schedule to determine applicable fees. All fees are nonrefundable and help to cover administrative and notification costs.

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**STAFF USE ONLY**

Scheduled Planning Commission meeting date: August 2, 2017

Dates advertised in newspaper: 7/21/17 and 7/29/17

**Planning Commission recommendation:** \_\_\_\_\_

**Recommended changes to proposed text:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

City Council Meeting Date: \_\_\_\_\_

Dates advertised in newspaper: \_\_\_\_\_ and \_\_\_\_\_

**City Council Decision:** \_\_\_\_\_

**Changes to proposed text:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date written notice of final decision sent to applicant: \_\_\_\_\_



**PO Box 968, Hickory, NC 28603 Order Confirmation for Ad #0000380323-01**

<b>Client</b>	KANNAPOLIS,CITY OF	<b>Payor Customer</b>	KANNAPOLIS,CITY OF	<b>Acct. Exec</b>	aboan
<b>Client Phone</b>	704-920-4300	<b>Payor Phone</b>	704-920-4300		
<b>Account#</b>	3143368	<b>Payor Account</b>	3143368		
<b>Address</b>	ACTS PAYABLE/WANDA/TEARSHEETS,4 KANNAPOLIS NC 28081 USA	<b>Payor Address</b>	ACTS PAYABLE/WANDA/TEARSHEET KANNAPOLIS NC 28081	<b>Ordered By</b>	Ryan
<b>Fax</b>	704-933-7463				
<b>EEmail</b>	byow@kannapolisnc.gov				

<b>Total Amount</b>	<b>\$681.46</b>	<b>Status</b>		<b><u>Materials</u></b>		
<b>Payment Amt</b>	<b>\$681.46</b>					
<b>Amount Due</b>	<b>\$0.00</b>					
<b>Payment Method</b>	Credit - Debit Card - Visa:0775	<b><u>Tear Sheets</u></b>	<b><u>Proofs</u></b>	<b><u>Affidavits</u></b>	<b><u>PO Number</u></b>	<b><u>Blind Box</u></b>
		0	0	1		

Text:

Order Notes:

<b>Ad Number</b>	<b>Ad Type</b>	<b>Color</b>	<b>Production Color</b>	
0000380323-01	CLS Liner	<NONE>		
<b>Pick Up Number</b>	<b>Ad Size</b>	<b>Production Method</b>	<b>Production Notes</b>	
	2.0 X 54 Li	AdBooker (liner)		
<b>Product</b>	<b>Placement/Class</b>	<b>Position</b>	<b># Inserts</b>	<b>Cost</b>
<b>Run Schedule Invoice Text</b>				
<b>Run Dates</b>				
<b>Tag Line</b>				

CON Independent Trib::	C-Announcements - Classified	General-Spec Notice-Annc-Clas	2	\$681.46
NOTICE OF PUBLIC HEARING Kannapolis City Hall Laureate Center 401 Laureate Way, Kannapolis, NC 28081 City Council Meeting Mond				
8/18/2017, 8/25/2017				
NOTICEOFPUBLICHEARINGKANNAPOLISCITYHALLLAUREATECENTER401LAUREATEWAYKANNAPOLISNC28081CITYCOUNCILMEE				





**Ad Content Proof**



**NOTICE OF PUBLIC HEARING**

**Kannapolis City Hall  
Laureate Center  
401 Laureate Way, Kannapolis, NC 28081**

**City Council Meeting  
Monday, August 28, 2017 at 6:00 pm**

**Public Hearing Notice**

**Public Hearing Notice - Zoning Text Amendment - TA-2017-06 - Public Hearing to consider text amendments to the following sections of the Unified Development Ordinance; (1) Article 4 Zoning Districts and Dimensional Regulations, Table 4.6-1 Principal Uses Permitted in Zoning Districts; (2) Article 5 Supplemental Use Regulations, add Section 5.36 Outdoor Banquet Facilities; and (3) Appendix A Definitions adding a definition for Outdoor Banquet Facilities, concerning defining outdoor banquet facilities and allowing as a conditional use in certain zoning districts.**

**Public Hearing Notice - Zoning Text Amendment - TA-2017-07 - Public Hearing to consider text amendments to the following sections of the Unified Development Ordinance; (1) Article 4 Zoning Districts and Dimensional Regulations, Table 4.6-1 Principal Uses Permitted in Zoning Districts; and (2) Appendix A Definitions adding a definition for stadium uses, and allowing stadiums in the CC zoning district.**

If you have questions or concerns regarding this case, please contact the City of Kannapolis Planning Department at 704-920-4350.

Hearing impaired persons desiring additional information or having questions regarding this subject should call the North Carolina Relay Number for the Deaf (1-800-735-8262). The meeting facility is accessible to people with disabilities. To request special accommodations in advance, contact the City's ADA Coordinator at 704-920-4302 or email [tcline@kannapolisnc.gov](mailto:tcline@kannapolisnc.gov).

**Publish: August 18 and August 25, 2017.**



**RESOLUTION TO ADOPT A STATEMENT OF CONSISTENCY  
FOR TEXT AMENDMENT  
CASE #TA-2017-06**

**WHEREAS**, Section 160A-383 (2013) of the North Carolina General Statutes specifies that the governing board shall also approve a statement describing whether its action is consistent with an adopted comprehensive and any other officially adopted plan that is applicable; and

**WHEREAS**, the Kannapolis City Council considers text amendments to Table 4-6.1, Principal Uses Permitted in Zoning Districts, Section 5.36, to permit Outdoor Banquet Facility uses, and Appendix A, Definitions, to be consistent with the purposes of the *2015 City of Kannapolis Land Use Plan*, reasonable and in the public interest because they will address the need for outdoor event venues, require the issuance of a Conditional Use Permit, and require supplemental standards to mitigate potential negative effects; and

**WHEREAS**, the City Council conducted a Public Hearing on August 28, 2017 for consideration of text amendment case TA-2017-06 as submitted by the Planning Department staff;

**NOW, THEREFORE BE IT RESOLVED** that the City Council finds the text amendment as represented in Case TA-2017-06 to be consistent with the *2015 City of Kannapolis Land Use Plan* adopted by City Council, in the public interest, reasonable, and is recommended for approval by the City Council based on consideration of the application materials, information presented at the Public Hearing, and the recommendation provided by Staff.

**Adopted this the 28<sup>th</sup> day of August, 2017;**

\_\_\_\_\_  
Milton D. Hinnant, Mayor

**ATTEST:**

\_\_\_\_\_  
Bridgette Bell, MMC, NCCMC  
City Clerk



**AN ORDINANCE TO AMEND TEXT OF THE UNIFIED DEVELOPMENT ORDINANCE,  
TABLE 4.6-1 PRINCIPAL USES PERMITTED IN ZONING DISTRICTS, ARTICLE 5  
SUPPLEMENTAL USE REGULATIONS, SECTION 5.36 OUTDOOR BANQUET FACILITIES,  
AND APPENDIX A DEFINITIONS  
CASE #TA-2017-06**

**WHEREAS**, per Section 3.8 of the Kannapolis Unified Development Ordinance (“UDO”), the City Council has final authority on zoning text amendments; and

**WHEREAS**, per Section 3.8 of the UDO, the Planning and Zoning Commission, at its regular meeting on August 2, 2017, recommended approval of the text amendment by a unanimous vote; and

**WHEREAS**, City Council conducted a public hearing to consider an amendments to the following sections of the UDO: (1) Article 4 Zoning Districts and Dimensional Regulations, Table 4.6-1 Principal Uses Permitted in Zoning Districts; (2) Article 5 Supplemental Use Regulations, add Section 5.36 Outdoor Banquet Facilities; and (3) Appendix A Definitions adding a definition for Outdoor Banquet Facilities on August 28, 2017; and

**WHEREAS**, the proposed amendment is consistent with the goals and policies of the 2015 Land Use Plan and reasonable;

**NOW, THEREFORE, BE IT ORDAINED**, by the Kannapolis City Council that (1) Article 4 Zoning Districts and Dimensional Regulations, Table 4.6-1 Principal Uses Permitted in Zoning Districts; (2) Article 5 Supplemental Use Regulations, Section 5.36 Outdoor Banquet Facilities; and (3) Appendix A Definitions of the UDO be amended as follows:

**The proposed text amendments to the UDO for Appendix A, Definitions; Table 4.6-1, Principal Uses Permitted in Zoning Districts; and Section 5.36, Outdoor Banquet Facilities, are shown as underline additions below:**

**APPENDIX A  
Definitions**

OUTDOOR BANQUET FACILITIES – An establishment which is rented by individuals or groups to accommodate private, by invitation only, functions including, but not limited to, weddings, catered receptions, rehearsal dinners, business meetings/retreats, where any portion of the event is held outside of the primary structure on the property.

TABLE 4.6-1: PRINCIPAL USES PERMITTED IN ZONING DISTRICTS																
* All uses permitted in the CC, CD, and I-1 Districts are subject to supplemental design regulations in Article 11 of this Ordinance.																
P - Permitted Use	S - Permitted Use with Supplemental Regulations in Article 5 and/or Article 11 (see "§ 0.00" for reference)															
C - Conditional Use	(-) Prohibited Use															
USE	ZONING DISTRICTS															
	NAICS	AG	RE	RL	RM-1	RM-2	RV	RC	B-1	O-1	CC*	C-1	C-2	CD-R*	CD*	I-1*
<b>INSTITUTIONAL AND CIVIC</b>																
Animal Shelter	-	-	C	-	-	-	-	-	-	-	-	-	P	-	-	P
Auditorium/Indoor Public Assembly, up to 350 seats	-	-	C	C	C	C	C	C	C	P	P	P	P	-	-	-
Auditorium/Indoor Public Assembly, more than 350 seats	-	-	-	-	-	-	-	C	C	C	C	P	P	-	-	-
Botanical Gardens/Nature Preserves	71213, 71219	-	P	P	P	P	P	P	P	P	P	P	P	-	P	P
Cemeteries, Crematories, & Mausoleums (§ 5.9)	81222	-	C/S	C/S	C/S	C/S	C/S	C/S	C/S	C/S	C/S	C/S	P/S	-	-	P/S
Child Care Center (§ 5.16) <sup>(6)(12)</sup>	6244	-	C/S	C/S	C/S	C/S	C/S	C/S	P/S	P/S	P/S	P/S	P/S	-	P/S	C/S
Civic, Social, and Fraternal Organizations	8134	-	C	C	C	C	C	C	P	P	P	P	P	-	-	-
Correctional Institutions	92214	-	-	-	-	-	-	-	-	-	C	-	-	-	-	C
Country Club	71391	-	P	P	P	P	P	P	-	-	-	P	P	-	-	-
Convention Center/Visitors Bureau	561591	-	-	-	-	-	-	-	-	-	P	P	P	-	P	-
Golf Course, public or private	71391	-	P	P	P	P	P	P	-	-	-	P	P	-	-	-
Government Buildings (excl. correctional institutions) and Facilities	-	-	C	C	C	C	C	C	P	P	P	P	P	-	P	P
Hospital	622	-	-	-	-	-	-	-	-	-	P	P	P	-	P	-
Museums and Art Galleries	71211, 71212	-	C	C	C	C	C	C	C	C	P	P	P	-	P	-
<b>Outdoor Banquet Facility (§ 5.36)</b>	-	-	C/S	C/S	C/S	C/S	C/S	-	-	-	-	-	-	-	-	-
Park - Public, neighborhood	71219	-	P	P	P	P	P	P	P	P	P	P	P	-	P	P
Park - Public, other than neighborhood	71219	-	P	C	C	C	C	C	P	P	P	P	P	-	P	P
Performing Arts Companies & Artists	7111	-	-	-	-	-	-	-	P	P	P	P	P	-	-	-
Postal Service Facilities	491	-	-	-	-	-	-	-	-	P	P	C	P	-	P	P
Recreational Sports Clubs (Hunting Clubs, Fishing Clubs, etc.)	713990	-	C	C	C	C	C	C	P	P	P	P	P	-	-	-
Religious Institutions (§ 5.29) <sup>(13)(17)</sup>	813110	-	C/S	C/S	C/S	C/S	C/S	C/S	C/S	P/S	P/S	P/S	P/S	-	-	-
Residential Care Facilities (includes Group Homes) (§ 5.17)	623	-	C/S	C/S	C/S	C/S	C/S	C/S	C/S	P/S	P/S	P/S	P/S	-	-	-
School - Boarding	6111	-	C	C	C	C	C	C	C	C	C	C	C	-	-	-
School - Business, Computer and Management	6114	-	-	-	-	-	-	-	-	C	P	P	P	-	-	P
School - Charter, Private & Parochial	61111	-	C	C	C	C	C	C	P	C	C	P	P	-	-	-
School - Fine Arts	61161	-	-	-	-	-	-	-	-	P	C	P	P	-	P	-
School - Public, Elementary & Secondary	6111	-	P	P	P	P	P	P	P	P	P	P	P	-	-	-
School - Technical and Trade	6116	-	-	-	-	-	-	-	C	C	P	P	P	-	P	P
School - University or College	6112, 6113	-	C	-	-	-	-	-	-	C	P	P	P	-	P	-
Social Assistance (excluding child care centers)	624	-	C	C	C	C	C	C	P	P	P	P	P	-	-	-
Zoo, public or private	71213	-	C	-	-	-	-	-	-	-	-	-	C	-	C	C

## 5.36. OUTDOOR BANQUET FACILITIES

### 5.36.1. APPLICABILITY.

The provisions of this Section shall apply to any Outdoor Banquet Facility establishment as defined herein and allowed in Table 4.6-1 (see Article 4) subject to the provisions below.

### 5.36.2. MINIMUM LOT SIZE.

Any property which contains an Outdoor Banquet Facility shall have a minimum lot size of 5 acres.

### 5.36.3. STRUCTURES ON SITE.

One single-family detached residence may be located on site.

### 5.36.4. APPROVAL CRITERIA.

A Conditional Use Permit, granted by the Board of Adjustment, is required for any Outdoor Banquet Facility in accordance with the procedures of Section 3.5 of this ordinance. Any application for an Outdoor Banquet Facility shall, at a minimum, comply with the requirements below.

**5.36.4.2 Location.** An Outdoor Banquet Facility shall only be permitted with a Conditional Use Permit in the following zoning districts: "AG", "RE", "RL", "RM-1", and "RM-2".

**5.36.4.3 Off-Street Parking.** The facility shall provide a minimum of two parking spaces for the owner/operator, plus one for every four persons in attendance at events. Staff, caterers, and other service providers shall be included in the parking calculations at a rate of one space for each employee or service provider.

**5.36.4.4 Access Drives and Parking Areas.** The initial 50 feet of driveway from the public or private street providing access to the site shall be paved with concrete or asphalt. Internal drives, parking and service areas shall be paved with materials suitable for accommodating the anticipated traffic. These areas shall be well maintained, minimizing dust, and kept free of potholes, weeds, etc. Gravel, crushed stone, or other materials may be approved as a condition of the Conditional Use Permit.

**5.36.4.5 Hours of Operation.** The hours of operation, including set-up and break-down for an event, shall be set as a condition of the Conditional Use Permit.

**5.36.4.6 Noise Ordinance.** All events shall comply with the City of Kannapolis Noise Ordinance, including the requirement for a sound permit if required.

**5.36.4.7 Screening and Fencing.** Any Outdoor Banquet Facility that is located adjacent to a residential zoning district or property developed for residential use shall provide a minimum of a Type 2 Buffer Yard with a minimum 6 foot tall opaque fence or wall, wherever the property abuts the residentially zoned or used property. Event areas shall be located at a minimum of 60 feet from any adjacent residential zoning district or property developed for residential use. This setback may be increased as a condition of any Conditional Use Permit granted by the Board of Adjustment.

Parking areas shall be located 50 feet from adjacent properties and shall be screened from public streets and adjoining properties with perimeter landscaping as required in Section 7.6.2.A. of this ordinance.

Buffering and screening requirements may be modified by the Board of Adjustment during the time of Conditional Use Permit approval based on the topography and use of the property.

**ADOPTED this the 28<sup>th</sup> day of August, 2017.**

\_\_\_\_\_  
Milton D. Hinnant, Mayor

**ATTEST:**

\_\_\_\_\_  
Bridgette Bell, MMC, NCCMC  
City Clerk



**City of Kannapolis  
City Council Meeting  
August 28, 2017  
Staff Report**

**TO:** Mayor and City Council  
**FROM:** Zachary D. Gordon, AICP Planning Director  
**TITLE:** TA 2017-07 - Public Hearing for Text Amendments

<b>A. Action Requested by City Council</b>
--

- 1. Hold Public Hearing;**
- 2. Consider Resolution to Adopt a Statement of Consistency for TA-2017-07**
- 3. Consider Ordinance to Amend Text of UDO for proposed TA-2017-07 as recommended by the Planning and Zoning Commission, or motion to deny text amendment recommended by Planning and Zoning Commission.**

<b>B. Required Votes to Pass Required Action</b>
--

Majority present at meeting

<b>C. Background</b>
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The City of Kannapolis is currently engaged in the planning and design of a Sports and Entertainment Venue (SEV) to be located in downtown. When completed the SEV will serve as the new home for the Kannapolis Intimidators Minor League Baseball team, and also provide a venue for other activities and events such as performances and community gatherings. Currently, the Unified Development Ordinance (UDO) does not include a definition for stadium or an allowance for such use in any zoning district.

The proposed amendment would define *stadium* and permit them by-right in the CC (Center City) zoning district. Stadiums that are accessory to a school use are already permitted by the UDO. Staff reviewed the definitions of several local municipalities, including Charlotte and Gastonia, in drafting this amendment. The proposed definition includes sporting events as well as other performances, while excluding such uses as a racetrack or drag strip.

**At their August 2, 2017 meeting, the Planning and Zoning Commission unanimously recommended approval of the proposed text amendments.**

#### **D. Fiscal Considerations**

None

#### **E. Policy Issues**

The proposed text amendments to the UDO for Table 4.6-1 and Appendix A are shown in the attached Ordinance to Amend Text of UDO

#### **F. Legal Issues**

None

#### **G. Alternative Courses of Action and Recommendation**

Planning staff concurs with the recommendation of the Planning and Zoning Commission and recommends approval of the proposed text amendments to Table 4.6-1 and Appendix A of the UDO as presented. The City Council may choose to either approve, or deny the text amendment as presented. City Council may also add, delete, or change any of the language as proposed.

**The following actions are required to recommend approval of TA 2017-07:**

1. Consider Resolution to Adopt a Statement of Consistency for TA 2017-07
2. Consider Ordinance to Amend Text of UDO, Table 4.6-1 and Appendix A as recommended by the Planning and Zoning Commission.

**The following actions are required to recommend denial of TA 2017-07:**

1. Consider Resolution to not Adopt a Statement of Consistency for TA 2017-07
2. Consider motion to deny TA-2017-07.

#### **ATTACHMENTS:**

##### **File Name**

- ❑ Application\_-\_TA-2017-07.pdf
- ❑ TA-2017-07\_CC\_Legal\_Ad.pdf
- ❑ TA-2017-07\_CC\_Statement\_of\_Consistency.pdf
- ❑ Ordinance\_to\_amend\_the\_text\_of\_UDO\_-\_TA\_2017-07.pdf



**Planning and Zoning Commission and Board of Adjustment**  
**General Application Form**  
*(Not for Site Plan Review Submittals)*

Type of Action Requested (Check One):

Variance	_____	SIA Application	_____
Conditional Use Permit	_____	Nonconformity Adjustment	_____
Subdivision Exception	_____	Watershed Boundary Modification	_____
Zoning Text Amendment	<input checked="" type="checkbox"/>	Zoning Map Amendment	_____
Appeal	_____	Conditional Zoning Map Amendment	_____

Applicant: City of Kannapolis - Planning Dept Owner: \_\_\_\_\_

Address: 401 Laureate Way Address: \_\_\_\_\_  
Kannapolis, NC 28081

Telephone: 704-920-4350 Telephone: \_\_\_\_\_

Email: zgordon@kannapolisnc.gov Email: \_\_\_\_\_

Legal relationship of applicant to property owner: \_\_\_\_\_

Property Location/Address: \_\_\_\_\_

Tax Parcel Number: \_\_\_\_\_ Zoning District: \_\_\_\_\_ Acreage of Site: \_\_\_\_\_

Zachary D. Gordon \_\_\_\_\_  
Applicant Name (Print) Property Owner Name (Print)

[Signature] 7-21-17 \_\_\_\_\_  
Applicant Signature & Date Property Owner Signature & Date

***The agenda deadline is the first day of the month preceding the month of the meeting. To be considered for placement on the next meeting agenda, the signed application, application fee, and five (5) copies of any required site plans for staff review must be submitted by the deadline. However, to remain on the next meeting agenda, fifteen (15) copies of such plans, determined by staff to conform to all ordinance standards, must be submitted at least ten (10) days before the meeting date. All fees are nonrefundable and help to cover administrative and notification costs.***

For Staff Use Only:

Filing Fee: \_\_\_\_\_ Receipt # \_\_\_\_\_

Application No.: \_\_\_\_\_ Date Submitted (Complete): \_\_\_\_\_





## **CITY OF KANNAPOLIS**

### **AN APPLICATION TO AMEND THE TEXT OF THE UNIFIED DEVELOPMENT ORDINANCE**

I Zachary D. Gordon, City of Kannapolis, hereby make application for an amendment to the following section(s) of the Unified Development Ordinance:

Article 4, Table 4.6-1; Appendix A

In the space provided below, or on a separate sheet, present your requested text for the Ordinance provisions in question:

See attached text

---

State your reasons for amending the text of the Ordinance:

To create a definition of "stadium" and to allow such use as a Permitted Use in the "CC" (Center City) zoning district.

---

Signature of applicant

**Fee:** Please refer to fee schedule to determine applicable fees. All fees are nonrefundable and help to cover administrative and notification costs.

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**STAFF USE ONLY**

Scheduled Planning Commission meeting date: August 2, 2017

Dates advertised in newspaper: 7/21/17 and 7/29/17

**Planning Commission recommendation:** \_\_\_\_\_

**Recommended changes to proposed text:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

City Council Meeting Date: \_\_\_\_\_

Dates advertised in newspaper: \_\_\_\_\_ and \_\_\_\_\_

**City Council Decision:** \_\_\_\_\_

**Changes to proposed text:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date written notice of final decision sent to applicant: \_\_\_\_\_



**PO Box 968, Hickory, NC 28603 Order Confirmation for Ad #0000380323-01**

<b>Client</b>	KANNAPOLIS,CITY OF	<b>Payor Customer</b>	KANNAPOLIS,CITY OF	<b>Acct. Exec</b>	aboan
<b>Client Phone</b>	704-920-4300	<b>Payor Phone</b>	704-920-4300		
<b>Account#</b>	3143368	<b>Payor Account</b>	3143368		
<b>Address</b>	ACTS PAYABLE/WANDA/TEARSHEETS,4 KANNAPOLIS NC 28081 USA	<b>Payor Address</b>	ACTS PAYABLE/WANDA/TEARSHEET KANNAPOLIS NC 28081	<b>Ordered By</b>	Ryan
<b>Fax</b>	704-933-7463				
<b>EEmail</b>	byow@kannapolisnc.gov				

<b>Total Amount</b>	<b>\$681.46</b>	<b>Status</b>		<b><u>Materials</u></b>
<b>Payment Amt</b>	<b>\$681.46</b>			
<b>Amount Due</b>	<b>\$0.00</b>			
<b>Payment Method</b>	Credit - Debit Card - Visa:0775	<b><u>Tear Sheets</u></b>	<b><u>Proofs</u></b>	<b><u>Affidavits</u></b>
		0	0	1
				<b><u>PO Number</u></b>
				<b><u>Blind Box</u></b>

Text:

Order Notes:

<b>Ad Number</b>	<b>Ad Type</b>	<b>Color</b>	<b>Production Color</b>
0000380323-01	CLS Liner	<NONE>	
<b>Pick Up Number</b>	<b>Ad Size</b>	<b>Production Method</b>	<b>Production Notes</b>
	2.0 X 54 Li	AdBooker (liner)	
<b>Product</b>	<b>Placement/Class</b>	<b>Position</b>	<b># Inserts</b>
<b>Run Schedule Invoice Text</b>			<b>Cost</b>
<b>Run Dates</b>			
<b>Tag Line</b>			

CON Independent Trib::	C-Announcements - Classified	General-Spec Notice-Annc-Clas	2	\$681.46
NOTICE OF PUBLIC HEARING Kannapolis City Hall Laureate Center 401 Laureate Way, Kannapolis, NC 28081 City Council Meeting Mond				
8/18/2017, 8/25/2017				
NOTICEOFPUBLICHEARINGKANNAPOLISCITYHALLLAUREATECENTER401LAUREATEWAYKANNAPOLISNC28081CITYCOUNCILMEE				



**Ad Content Proof**



**NOTICE OF PUBLIC HEARING**

**Kannapolis City Hall  
Laureate Center  
401 Laureate Way, Kannapolis, NC 28081**

**City Council Meeting  
Monday, August 28, 2017 at 6:00 pm**

**Public Hearing Notice**

**Public Hearing Notice - Zoning Text Amendment - TA-2017-06 - Public Hearing to consider text amendments to the following sections of the Unified Development Ordinance; (1) Article 4 Zoning Districts and Dimensional Regulations, Table 4.6-1 Principal Uses Permitted in Zoning Districts; (2) Article 5 Supplemental Use Regulations, add Section 5.36 Outdoor Banquet Facilities; and (3) Appendix A Definitions adding a definition for Outdoor Banquet Facilities, concerning defining outdoor banquet facilities and allowing as a conditional use in certain zoning districts.**

**Public Hearing Notice - Zoning Text Amendment - TA-2017-07 - Public Hearing to consider text amendments to the following sections of the Unified Development Ordinance; (1) Article 4 Zoning Districts and Dimensional Regulations, Table 4.6-1 Principal Uses Permitted in Zoning Districts; and (2) Appendix A Definitions adding a definition for stadium uses, and allowing stadiums in the CC zoning district.**

If you have questions or concerns regarding this case, please contact the City of Kannapolis Planning Department at 704-920-4350.

Hearing impaired persons desiring additional information or having questions regarding this subject should call the North Carolina Relay Number for the Deaf (1-800-735-8262). The meeting facility is accessible to people with disabilities. To request special accommodations in advance, contact the City's ADA Coordinator at 704-920-4302 or email [tcline@kannapoliscnc.gov](mailto:tcline@kannapoliscnc.gov).

**Publish: August 18 and August 25, 2017.**



**RESOLUTION TO ADOPT A STATEMENT OF CONSISTENCY  
FOR TEXT AMENDMENT  
CASE# TA-2017-07**

**WHEREAS**, Section 160A-383 (2013) of the North Carolina General Statutes specifies that the governing board shall also approve a statement describing whether its action is consistent with an adopted comprehensive and any other officially adopted plan that is applicable; and

**WHEREAS**, the Kannapolis City Council considers text amendments to Table 4-6.1, Principal Uses Permitted in Zoning Districts to permit “stadium” uses in the Center City zoning district and Appendix A, Definitions to be consistent with the *2015 City of Kannapolis Land Use Plan* which designates the Center City district as the Central Business District for the City, where such uses are appropriate, reasonable and in the public interest because the amendments will address the need to update the ordinance to provide for new types of development; and

**WHEREAS**, the City Council conducted a Public Hearing on August 28, 2017 for consideration of text amendment case TA-2017-07 as submitted by the Planning Department staff;

**NOW, THEREFORE BE IT RESOLVED** that the City Council finds the text amendment as represented in Case TA-2017-07 to be in the public interest, reasonable and consistent with the *2015 City of Kannapolis Land Use Plan* adopted by the City Council, and is recommended for approval by the City Council based on consideration of the application materials, information presented at the Public Hearing, and the recommendation provided by Staff.

**Adopted this the 28<sup>th</sup> day of August, 2017;**

\_\_\_\_\_  
Milton D. Hinnant, Mayor

**ATTEST:**

\_\_\_\_\_  
Bridgette Bell, MMC, NCCMC  
City Clerk



**AN ORDINANCE TO AMEND TEXT OF THE UNIFIED DEVELOPMENT ORDINANCE,  
TABLE 4.6-1 PRINCIPAL USES PERMITTED IN ZONING DISTRICTS, AND APPENDIX A  
DEFINITIONS  
CASE #TA-2017-07**

**WHEREAS**, per Section 3.8 of the Kannapolis Unified Development Ordinance (“UDO”), the City Council has final authority on zoning text amendments; and

**WHEREAS**, per Section 3.8 of the UDO, the Planning and Zoning Commission, at its regular meeting on August 2, 2017, recommended approval of the text amendment by a unanimous vote; and

**WHEREAS**, City Council conducted a public hearing to consider an amendments to the following sections of the UDO: (1) Article 4 Zoning Districts and Dimensional Regulations, Table 4.6-1 Principal Uses Permitted in Zoning Districts to permit “stadium” uses in the Center City zoning district; and (2) Appendix A Definitions adding a definition for stadium uses on August 28, 2017; and

**WHEREAS**, the proposed amendment is consistent with the goals and policies of the 2015 Land Use Plan and reasonable;

**NOW, THEREFORE, BE IT ORDAINED**, by the Kannapolis City Council that (1) Article 4 Zoning Districts and Dimensional Regulations, Table 4.6-1 Principal Uses Permitted in Zoning Districts; and (2) Appendix A Definitions of the UDO be amended as follows:

**The proposed text amendments to the UDO for Appendix A, Definitions; and Table 4.6-1, Principal Uses Permitted in Zoning Districts, are shown as underline additions below:**

**APPENDIX A  
Definitions**

STADIUM – A structure or facility designed, intended, or used primarily for outside athletic events or other performances and containing seating for over one hundred (100) spectators of those events, but not including a racetrack, dragstrip, or any structure within a publicly owned park.

TABLE 4.6-1: PRINCIPAL USES PERMITTED IN ZONING DISTRICTS																	
* All uses permitted in the CC, CD, and I-1 Districts are subject to supplemental design regulations in Article 11 of this Ordinance.																	
P - Permitted Use	S - Permitted Use with Supplemental Regulations in Article 5 and/or Article 11 (see "§ 0.00" for reference)																
C - Conditional Use	(-) Prohibited Use																
USE	ZONING DISTRICTS																
	NAICS	AG	RE	RL	RM-1	RM-2	RV	RC	B-1	O-1	CC*	C-1	C-2	CD-R*	CD*	I-1*	I-2
<b>INSTITUTIONAL AND CIVIC</b>																	
Animal Shelter	-	C	-	-	-	-	-	-	-	-	-	-	P	-	-	P	P
Auditorium/Indoor Public Assembly, up to 350 seats	-	C	C	C	C	C	C	C	P	P	P	P	P	-	-	-	-
Auditorium/Indoor Public Assembly, more than 350 seats	-	-	-	-	-	-	C	C	C	C	P	P	P	-	-	-	-
Botanical Gardens/Nature Preserves	71213, 71219	P	P	P	P	P	P	P	P	P	P	P	P	-	P	P	P
Cemeteries, Crematories, & Mausoleums (§ 5.9)	81222	C/S	C/S	C/S	C/S	C/S	C/S	C/S	C/S	C/S	C/S	C/S	P/S	-	-	P/S	P/S
Child Care Center (§ 5.16) <sup>(6)(12)</sup>	6244	C/S	C/S	C/S	C/S	C/S	C/S	C/S	P/S	P/S	P/S	P/S	P/S	-	P/S	C/S	-
Civic, Social, and Fraternal Organizations	8134	C	C	C	C	C	C	C	P	P	P	P	P	-	-	-	-
Correctional Institutions	92214	-	-	-	-	-	-	-	-	-	C	-	-	-	-	C	C
Country Club	71391	P	P	P	P	P	P	P	-	-	-	P	P	-	-	-	-
Convention Center/Visitors Bureau	561591	-	-	-	-	-	-	-	-	-	P	P	P	-	P	-	-
Golf Course, public or private	71391	P	P	P	P	P	P	P	-	-	-	P	P	-	-	-	-
Government Buildings (excl. correctional institutions) and Facilities	-	C	C	C	C	C	C	C	P	P	P	P	P	-	P	P	P
Hospital	622	-	-	-	-	-	-	-	-	-	-	P	P	-	-	-	-
Museums and Art Galleries	71211, 71212	C	C	C	C	C	C	C	C	C	P	P	P	-	P	-	-
Park - Public, neighborhood	71219	P	P	P	P	P	P	P	P	P	P	P	P	-	P	P	P
Park - Public, other than neighborhood	71219	P	C	C	C	C	C	C	P	P	P	P	P	-	P	P	P
Performing Arts Companies & Artists	7111	-	-	-	-	-	-	-	P	P	P	P	P	-	-	-	-
Postal Service Facilities	491	-	-	-	-	-	-	-	-	P	P	C	P	-	P	P	P
Recreational Sports Clubs (Hunting Clubs, Fishing Clubs, etc.)	713990	C	C	C	C	C	C	C	P	P	P	P	P	-	-	-	-
Religious Institutions (§ 5.29) <sup>(13)(17)</sup>	813110	C/S	C/S	C/S	C/S	C/S	C/S	C/S	P/S	P/S	P/S	P/S	P/S	-	-	-	-
Residential Care Facilities (includes Group Homes) (§ 5.17)	623	C/S	C/S	C/S	C/S	C/S	C/S	C/S	C/S	P/S	P/S	P/S	P/S	-	-	-	-
School - Boarding	6111	C	C	C	C	C	C	C	C	C	C	C	C	-	-	-	-
School - Business, Computer and Management	6114	-	-	-	-	-	-	-	-	C	P	P	P	-	-	P	P
School - Charter, Private & Parochial	61111	C	C	C	C	C	C	C	P	C	C	P	P	-	-	-	-
School - Fine Arts	61161	-	-	-	-	-	-	-	P	C	P	P	P	-	P	-	-
School - Public, Elementary & Secondary	6111	P	P	P	P	P	P	P	P	P	P	P	P	-	-	-	-
School - Technical and Trade	6116	-	-	-	-	-	-	-	C	C	P	P	P	-	P	P	P
School - University or College	6112, 6113	C	-	-	-	-	-	-	-	C	P	P	P	-	P	-	-
Social Assistance (excluding child care centers)	624	C	C	C	C	C	C	C	P	P	P	P	P	-	-	-	-
<b>Stadium</b>	-	-	-	-	-	-	-	-	-	-	<b>P</b>	-	-	-	-	-	-
Zoo, public or private	71213	C	-	-	-	-	-	-	-	-	-	-	C	-	C	C	C

ADOPTED this the 28<sup>th</sup> day of August, 2017.

\_\_\_\_\_  
Milton D. Hinnant, Mayor

ATTEST:

\_\_\_\_\_  
Bridgette Bell, MMC, NCCMC  
City Clerk



**City of Kannapolis  
City Council Meeting  
August 28, 2017  
Staff Report**

**TO:** Mayor and City Council  
**FROM:** Zachary D. Gordon, AICP Planning Director  
**TITLE:** Public Hearing Minimum Housing Code Violation - 915 Rochelle Street

**A. Action Requested by City Council**

**Hold a Public Hearing and consider adopting an Ordinance to demolish the substandard house at 915 Rochelle Street.**

**B. Required Votes to Pass Required Action**

Majority present at meeting

**C. Background**

Code Enforcement staff initiated contact with the current owner of the property on February 2, 2016 (over 6 months after the property was purchased), at which time staff advised the owner of several minimum housing violations. Permits for repair of the house were obtained by the previous owner who later decided to abandon the repair and sell it to the present owner. At the time of notice of housing violations, the current property owner indicated that he had met with a contractor and planned to repair the home and bring it up to minimum housing standards. The current owner resides across the street with his parents and has indicated his intention to repair the house and move into it. Following several months of not seeing any progress of the houses repair, or permits being obtained, Code Enforcement staff conducted an interior inspection of the structure on October 19, 2016. The portion of the house that remains from the original footprint was found to be substandard, not weather tight, and unsafe. A hearing was held on November 2, 2016 to determine whether violations of the minimum housing codes existed and, if so, to identify what remedies were warranted.

On January 25, 2017 the current owner obtained a permit to demolish the house. Due to the owner obtaining the permit and good intentions being shown, the deadline of February 7, 2017 to have the house repaired or demolished was suspended.

At City Council's August 14, 2017 meeting, a public hearing was held to consider demolition of the structure at 915 Rochelle Street. At this hearing, the property owner addressed the Council and indicated that demolition of the structure had occurred down to the foundation. Code Enforcement staff confirmed this to be an accurate statement. At this meeting, City Council voted to postpone action on this request for demolition until their August 28, 2017 meeting.



**At this time, because the structure has been almost entirely demolished, staff is recommending that City Council not take action to adopt an ordinance to demolish the structure located at 915 Rochelle Street and that any further enforcement action be addressed, as necessary, under the City's nuisance ordinance provisions.**

#### **D. Fiscal Considerations**

The estimated cost to demolish the existing home is approximately \$2,500 plus the cost to remove any asbestos found. Funds for the demolition would come from the Planning Department budget.

#### **E. Policy Issues**

None

#### **F. Legal Issues**

None

#### **G. Alternative Courses of Action and Recommendation**

1. Adopt an Ordinance to demolish the substandard house at 915 Rochelle Street
2. Delay action until a future meeting
- 3. Do not adopt the Ordinance and take no action (Recommended)**

#### **ATTACHMENTS:**

##### **File Name**

- ❑ Hearing\_Notice\_915\_Rochelle\_St\_HC16-34.docx
- ❑ Exhibit\_A\_915\_Rochelle\_Street.doc
- ❑ Findings\_HC16-34\_915\_Rochelle\_Street.docx
- ❑ Demo\_Ordinance\_915\_Rochelle\_Street.doc
- ❑ Aerials\_Info\_915RochelleSt.pdf
- ❑ SAM\_2405\_1.pdf
- ❑ SAM\_2046\_-\_1.50MB.pdf
- ❑ SAM\_1971\_-\_1.50MB.pdf
- ❑ SAM\_1211\_1.pdf
- ❑ SAM\_1213.pdf



File No. PN16-34

COMPLAINT AND NOTICE OF HEARING BEFORE  
THE HOUSING INSPECTOR UNDER THE MINIMUM HOUSING CODE

**TO:** Owners and parties in interest in the property located at **915 Rochelle Street (PIN 5613-16-5642)**, in the City of Kannapolis, North Carolina.

**YOU ARE HEREBY NOTIFIED** that the housing unit and/or lot located at the address designated above is a condition that appears to be unfit for human habitation and to violate the City of Kannapolis Minimum Housing Code in the following ways:

**See Exhibit "A" Enclosed.**

**YOU ARE FURTHER NOTIFIED** that a hearing will be held before the Inspector of the City of Kannapolis 401 Laureate Way at **11:00 A.M on November 2, 2016** for the purpose of finding the facts as to whether or not the condition of such property falls within the scope of the above mentioned sections of the Minimum Housing Code. At the hearing, you shall be entitled to offer such evidence as is relevant to material to the questions sought to be determined or the remedies to be effected.

**YOU ARE FURTHER NOTIFIED** that if, upon such hearing, the Housing Inspector shall find that the conditions of the above described property do in fact violate the Minimum Housing Code, and do in fact render such dwelling unit unfit for human habitation, the Housing Inspector will issue an order in writing directed to the owner of such property requiring the owner to remedy these conditions. The Housing Inspector may make such other orders and take such other procedures as are authorized under the Housing Code and the General Statutes of North Carolina.

Further information as to this matter may be obtained by contacting the undersigned at 704-920-4356. I can also be reached by e-mail at [twcline@kannapolisnc.gov](mailto:twcline@kannapolisnc.gov).

**This the 19th day of October 2016.**

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Tony W. Cline  
Housing Inspector

**"Exhibit A"**  
**Inspection conducted on October 19, 2016**  
**915 Rochelle Street**

A building or structure to be especially dangerous to life and held unsafe if the inspector finds any one of the following conditions existing in such building or structure (all conditions below apply to this property)

Dilapidation, decay, unsanitary conditions or disrepair which is dangerous to the health, safety or welfare of the occupants or other people of the jurisdiction

Inadequate facilities for egress in case of fire or panic

Defects significantly increasing the hazards of fire, accident or other calamities

Lack of adequate ventilation, light, heating or sanitary facilities to such extent as to endanger the health, safety or general welfare of the occupants or other residents of the jurisdiction

Lack of proper electrical, heating or plumbing facilities required by this article which constitutes a health or a definite safety hazard

For any building whose occupancy classification requires it, lack of connection to a potable water supply and/or to the public sanitary sewer or other approved sewage disposal system

Any violation of the State Fire Prevention Code which constitutes a condition which is unsafe and especially dangerous to life

Any abandoned residential building which is found to be a health or safety hazard by the Inspector as a result of the attraction of insects or rodents, conditions creating a fire hazard, dangerous conditions constituting a threat to children, or frequent use by vacant as living quarters in absence of sanitary facilities

Specific violations will be discussed at the hearing with pictures to show substandard conditions around and within the structure

**Repair cost is expected to be more than \$8,635 which is 50% of the tax value of the building. The total tax value of the building is \$17,270.00**

November 7, 2016

File No. HC16-34

### FINDINGS OF FACT AND ORDER

TO: Owners and parties of interest of the property located at **915 Rochelle Street (5613-16-5642), in the City of Kannapolis, North Carolina.**

The undersigned Minimum Housing Code Inspector of the City of Kannapolis pursuant to law conducted a hearing at the time and place stated in the Complaint and Notice heretofore issued and served, or at a time to which the hearing with previous notice to the above-named owners and parties in interest or their agents or attorneys. At the hearing, the Answer, if any, filed by the owners and parties in interest were carefully analyzed and considered by the undersigned. In addition to other evidence presented, the undersigned personally inspected the property described above, and such inspection and examination has been considered, along with other evidence offered at this hearing.

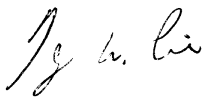
Upon the record and all of the evidence offered and contentions made, the undersigned Minimum Housing Code Inspector does hereby find the following facts:

1. The above-named owners and parties in interest with respect to the property located at the place specified above were duly served as required by law with written Complaint and Notice of Hearing which set forth the Complaint that the premises located at the above address is in violation of the City of Kannapolis Minimum Housing Code and the particulars thereof, and fixed a time and place for a hearing upon the Complaint as provided by law. At the hearing, the following owners, persons in interest or their agents or their agent's attorneys, were present and participated therein: **Allen Livengood**
2. The premises described above does violate the City of Kannapolis Minimum Housing Code by reason of the conditions found to be present and to exist in and about the structure.
3. Due to these conditions, the building and/or premises described above is within the meaning of the City Minimum Housing Code, so as to be unfit for occupation.

**IT IS THEREFORE ORDERED** that the owners of the property above are required to bring such property into compliance with the Minimum Housing Code by:

- ☐ repairing, altering, improving or vacating and closing the deteriorated structure;
- ☒ repairing, altering, improving or vacating and demolishing the dilapidated structure;
- ☒ cleaning up the premises.

**By a date no later than the 7th day of February, 2017.**



Tony W. Cline  
Code Enforcement Officer

**File No. HC16-34**

**AN ORDINANCE DIRECTING THE HOUSING INSPECTOR TO REMOVE OR  
DEMOLISH THE PROPERTY HEREIN DESCRIBED AS UNFIT FOR HUMAN  
HABITATION AND DIRECTING THAT A NOTICE BE PLACED THEREON THAT  
THE SAME MAY NOT BE OCCUPIED**

**WHEREAS**, the City of the Kannapolis finds that the dwelling described herein is unfit for human habitation under the City Minimum Housing Code and that all of the procedures of the Minimum Housing Code have been complied with; and

**WHEREAS**, this dwelling should be removed or demolished as directed by the Code Administrator/Housing Inspector and should be placarded by placing thereon a notice prohibiting use for human habitation; and

**WHEREAS**, the owner of this dwelling has been given a reasonable opportunity to bring the dwelling up to the standards of the Minimum Housing Code in accordance with NCGS 160A-443(5) pursuant to an order issued by the Code Enforcement Officer/Housing Inspector on **November 7, 2016**, and the owner has failed to comply with the Order;

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Kannapolis that:

Section 1. The owner of such building(s), dwelling(s) and premises is hereby ordered to vacate any occupants or personal property therein on or before **May 9, 2017**.

Section 2. The Housing Inspector is hereby authorized and directed to place a placard containing the legend:

"This building is unfit for human habitation; the use or occupation of  
this building for human habitation is prohibited and unlawful."

on the building located at the following address:

**915 Rochelle Street (5613-16-5642)**

Section 3. The Code Enforcement Officer/Housing Inspector is hereby authorized and directed to proceed to remove or demolish the above described structure in accordance with his order to the owner thereof dated the **7th day of February 2017**, and in accordance with the Housing Code and NCGS 160A-443;

Section 4. (a) The cost of removal or demolition shall constitute a lien against the real property upon which the cost was incurred. The lien shall be filed in the office of the County Tax Collector, and shall have the same priority and be collected in the same manner as the lien for special assessments in Article 10 of NCGS Chapter 160A or as otherwise allowed by law.

(b) Upon completion of the required removal or demolition, the Code Enforcement Officer/Housing Inspector shall sell the materials of the dwelling and credit the proceeds against the cost of removal or demolition. The Code Enforcement Officer/Housing Inspector shall certify the remaining balance to the Tax Collector. If a surplus remains after the sale of the materials and satisfaction of the cost of removal or demolition, the Code Enforcement Officer/Housing Inspector shall deposit the surplus in the Superior Court where it shall be secured and disbursed in the manner provided by NCGS 160A-443(6).

Section 5. It shall be unlawful for any person to remove or cause to be removed the placard from any building to which it is affixed. It shall likewise be unlawful for any person to occupy or to permit the occupancy of any building therein declared to be unfit for human habitation.

Section 6. This Ordinance shall become effective upon its adoption.

**ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_.**

\_\_\_\_\_  
Milton D. Hinnant, Mayor

ATTEST:

\_\_\_\_\_  
Bridgette Bell, MMC, NCCMC  
City Clerk





# Site Map

Address: 915 Rochelle St

Parcel Number: 56131656420000







07/26/2017 10:57 AM





07/26/2017 10:57 AM





03/06/2017 10:20 AM





10/19/2016 10:19 AM





10/19/2016 10:19 AM





**City of Kannapolis  
City Council Meeting  
August 28, 2017  
Staff Report**

**TO:** Mayor and City Council  
**FROM:** Mike Legg, City Manager  
**TITLE:** Closed Session

**A. Action Requested by City Council**

**GS. 143-318.11 (a) (3) to consult with an attorney in order to preserve the attorney-client privilege, G.S. 143-318.11 (a) (6) for the purpose of discussing personnel matters and G.S. 143.318.11 (a) (4) for discussing matters relating to the location or expansion of industries or businesses in the area (Mayor Pro tem Wilson)**

**ADJOURN**

**B. Required Votes to Pass Required Action**

**C. Background**

**D. Fiscal Considerations**

**E. Policy Issues**

**F. Legal Issues**

**G. Alternative Courses of Action and Recommendation**

**ATTACHMENTS:**

File Name

No Attachments Available