



**KANNAPOLIS CITY COUNCIL
MEETING AGENDA
Kannapolis City Hall
401 Laureate Way, Kannapolis NC
July 9, 2018
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

RECOGNITIONS

1. **North Carolina's Area Wide Optimization Program Award - Water Treatment Plant** (Wilmer Melton, III, Director of Public Works)
2. **North Carolina City & County Excellence in Communications Awards** (Annette Privette-Keller, Director of Communications)

CONSENT AGENDA - Motion to Adopt Consent Agenda or make revisions

1. **Personnel Policy 800.035-Vehicle Use Procedures** (Tina Cline Human Resources Director)
2. **Personnel Policy 400.01 - Position Classification Plan** (Tina Cline, Human Resources Director)

BUSINESS AGENDA

- A. **Voluntary Annexation of property located at 3821 Shiloh Church Road (PIN 4672-69-6150)** (Zachary D. Gordon, AICP, Planning Director)
- B. **College Station Lease 443 N. Cannon Blvd** (Irene Sacks, Director of Economic & Community Development)
- C. **Firemen's Local Relief Fund Board of Trustees** (Ernie Hiers, Fire Chief)
- D. **Board of Adjustment Appointments and Recommendation to Rowan County Board of Commissioners for Appointment of ETJ Representative** (Zachary D. Gordon, AICP, Planning Director)
- E. **Planning and Zoning Commission Appointments** (Zachary D. Gordon, AICP, Planning Director)
- F. **Parks and Recreation Commission Appointments** (Gary Mills, Parks & Recreation Director)

CITY MANAGER REPORT

CITY COUNCIL COMMENTS

CLOSED SESSION

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 (Mayor Pro tem Berry)

MOTION TO ADJOURN

UPCOMING SCHEDULE

July 23

August 13

August 27

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 or 704-920-4302 at least forty-eight (48) hours prior to the meeting.



**City of Kannapolis
City Council Meeting
July 9, 2018
Staff Report**

TO: Mayor and City Council
FROM: Wilmer Melton, III - Director of Public Works
TITLE: NC Area Wide Optimization Program Award

A. Action Requested by City Council
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None

B. Required Votes to Pass Required Action
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Presentation Only, no action required

C. Background

Since 1998, the United States Environmental Protection Agency has developed several new regulations to reduce the risk of biological contamination while limiting the risk from disinfecting chemicals and their byproducts. The Area Wide Optimization Program (AWOP) was developed to help water systems meet successively more stringent regulations and achieve higher levels of water quality.

AWOP is a joint program between the EPA and states, and North Carolina has participated in AWOP since 2000. North Carolina works cooperatively with water systems to use existing equipment and treatment processes to improve or optimize water quality. Initially, AWOP focused on comprehensive performance evaluations (CPE). Water systems that fail to meet turbidity performance criteria are required to perform a detailed review of treatment processes and practices. Several surface water systems in North Carolina have voluntarily participated in the CPE process in order to improve plant operations. The City of Kannapolis Water Treatment Plant has earned the North Carolina's Area Wide Optimization Program Award. This award means that the City of Kannapolis Water Treatment Plant is optimizing turbidity removal well below the federal and state minimums.

Awards are given each year to water systems that demonstrate outstanding turbidity removal, a key test of drinking water quality. Turbidity is a measure of the cloudiness or haziness of water caused by individual particles that can interfere with disinfection and provide a medium for microbial growth. Microbes are microscopic particles that occur naturally, but can potentially include harmful bacteria and viruses.

While all drinking water systems have to meet strict state and federal drinking water standards, the City of Kannapolis has met performance goals that are significantly more stringent.

This award is a clear example of the dedication shown by the staff at the Water Treatment Plant and their commitment to the City and its customers in providing a safe and dependable supply of drinking water. We are proud of our Water Treatment Staff for being the recipient of the North Carolina’s Area Wide Optimization Program Award and congratulate them. This will be the City's second consecutive year in receiving the award.

D. Fiscal Considerations

None

E. Policy Issues

None

F. Legal Issues

None

G. Alternative Courses of Action and Recommendation

None

ATTACHMENTS:

File Name

No Attachments Available



**City of Kannapolis
City Council Meeting
July 9, 2018
Staff Report**

TO: Mayor and City Council
FROM: Annette Privette-Keller, Director of Communications
TITLE: North Carolina City & County Communicators Awards

A. Action Requested by City Council

Presentation - No Action Required

B. Required Votes to Pass Required Action

C. Background

The City of Kannapolis was among 23 North Carolina governments to earn recognition in the 11th North Carolina City & County Communicators' (NC3C) *Excellence in Communications Awards*.

The awards were presented at the NC3C's annual conference. One hundred seventy-eight entries were received, with many categories having the winners determined by one or two points. "Our organization is full of city and county government communicators who are excellent at what they do. They are innovative, creative, passionate, and dedicated, and that shows in their work," said NC3C President Catherine Lazorko. "It was an honor to preside over the program, viewing these exciting demonstrations of work to communicate the stories of the jurisdictions they serve." The City of Kannapolis won five awards, two first place, and three second place awards.

First Place: Marketing Tools-Branding/New Logo-Loop the Loop Program
First Place: Community Visioning-Move Kannapolis Forward 2030 Plan
Second Place: Printed Publications-External Newsletter-Kannapolis Matters
Second Place: Delivery Service-Loop the Loop Program
Second Place: Most Creative with Lease Dollars Spend-Bicycle Lid Art Project

Judges for the NC3C Excellence in Communications Awards were government communication professionals from Texas.

The purpose of North Carolina City & County Communicators is to encourage professional development and networking among local governmental communications professionals. The organization was formed in March 2007 and is made up of government professional

communicators from around the state. For more information about NC3C, visit the website, www.nc3c.com.

D. Fiscal Considerations

None

E. Policy Issues

None

F. Legal Issues

None

G. Alternative Courses of Action and Recommendation
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None

ATTACHMENTS:

File Name

No Attachments Available



**City of Kannapolis
City Council Meeting
July 9, 2018
Staff Report**

TO: Mayor and City Council
FROM: Tina Cline, HR Director
TITLE: Personnel Policy 800.035 - Vehicle Use Procedures

A. Action Requested by City Council

Motion to amend Personnel Policy 800.035 - Vehicle Use Procedures.

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

Employees who are employed in a public safety position and are required to use an individually assigned vehicle during their normal tour of duty are permitted to use the vehicle for commuting purposes in accordance with the department's standard operating procedures as approved by the City Manager. While not on duty during such commutes, officers may assist on incidents they may encounter as needed and in accordance with departmental procedures. This describes the standards of Test 3 outlined in the Vehicle Use Policy.

Employees subject to Test 3 who live outside the city limits but within 30 miles of the nearest city limit boundary agree to pay a \$10.00 bi-weekly commuting fee to be allowed daily commuting use of the vehicle.

The request is to amend the policy to eliminate the \$10.00 bi-weekly commuting fee but continue to allow the employee who meets the requirements of Test 3 to continue to utilize the vehicle for commuting purposes as visibility of the vehicle in the community at large is still of value to the City.

D. Fiscal Considerations

The fee (\$260 per year) was originally implemented to offset any related commuting expenses for the vehicle. There are currently 55 officers who are assigned a take home vehicle under Test 3 of the policy who are currently paying the bi-weekly fee. This totals \$14,300 annual miscellaneous revenue.

E. Policy Issues

Amendments to Personnel Policy 800.035 require approval by City Council.

F. Legal Issues

The bi-weekly fee is a City policy is not required by any other regulation or general statute.

G. Alternative Courses of Action and Recommendation

1. **Motion to approve amendments to the Policy 800.035 - Vehicle Use Procedures (Recommended)**
2. Do not approve amendments.
3. Table action to a future meeting.

ATTACHMENTS:

File Name

800.035_Vehicle_Use_Procedures_-_Proposed_Amendment_-_07_04_2018.doc



CITY OF KANNAPOLIS
PERSONNEL
POLICIES AND PROCEDURES

SUBJECT: Vehicle Use Procedures

POLICY NO: 800.035

EFFECTIVE DATE: February 1, 2006

REVIEW DATE: _____

APPROVED: _____
CITY MANAGER

AMENDMENT DATE(S): October 13, 2013, Section C-1(j), C-1(k)
August 31, 2016, Section E-5 (e)
August 31, 2016, Section F-4, 5 & 7
August 31, 2016, Attachment III & IV
July 4, 2018, Section C-1(k)

SUBJECT: City Vehicle Assignment and Use of City Vehicles and Personal Vehicles for Business Purposes

PURPOSE: This policy establishes procedures regarding the assignment of City vehicles, use of City vehicles, and business use of private vehicles. This applies to all City employees unless otherwise noted within the policy. This policy is also prepared according to the Federal Tax Act of 1985 and North Carolina G.S. 14-247, which establish procedures regarding reporting of income and withholding of taxes.

A. DEFINITIONS:

Assigned Vehicle A City-owned automobile or truck designated for the use of an individual employee in the normal performance of his/her duties but not authorized for take-home use.

Mileage Reimbursement A per mile rate to compensate employees for the incidental, non-routine, or extraordinary use of a privately owned vehicle for official business, based on actual logged miles.

Take-Home Vehicle A City-owned automobile or truck designated for the use of an individual employee in the normal performance of his/her duties including the commute from home to work.

Vehicle Expense Allowance A monthly cash payment to compensate selected employees, as determined by the City Manager, who are required to regularly use a personal privately-owned vehicle in the regular performance of their job duties and in conducting City business.

B. VEHICLE USES:

- 1) Only City of Kannapolis employees on bonafide City business and authorized by the department director may drive or operate City vehicles or equipment.
- 2) City-owned vehicles are to be used for official business only with reasonable consideration for use for meals, while in the course of performing business on behalf of the City. For individuals assigned vehicles for overnight use, stopping between work and home to perform brief minor personal business may be acceptable, but any such use should be the exception rather than the rule, and only if the stop is directly in route from work to the employee's residence.
- 3) City-owned vehicles are not assigned for nor shall they be used for the convenience of the employee with regard to transportation needs or other non-business activities except as determined by the Department Head with concurrence of the City Manager.

- 4) Alcoholic beverages or any illegal drugs are not permitted in city vehicles at any time. Law enforcement personnel or lab personnel as approved by proper police authority may transport alcoholic beverages or drugs that have been lawfully confiscated or scheduled for use during training exercises.

C. PROCEDURES:

1) Take-Home Vehicles

- a. For an employee to be authorized for the take-home use of a City-owned vehicle, the employee must possess a valid North Carolina's driver's license, maintain a safe driving history, and meet one of the following tests:

Test 1:	The employee is:
(1)	Subject to frequent after-hours emergency callback or other unscheduled work, and
(2)	Such unscheduled work involves the first response to a real or present threat to life or property requiring an immediate response, and
(3)	A specialized vehicle, tools, or equipment are required for the performance of emergency duties.

Test 2:	The employee is:
(1)	Subject to frequent after-hours callback, and
(2)	Such callback arrangements are to locations other than the employee's normal duty station, and
(3)	A special vehicle, tools or equipment are required to perform after-hours assignments, and
(4)	An unacceptable delay in the response would result from the employee's return to the normal duty station to retrieve the needed equipment.
<i>This category is normally reserved for emergency maintenance response situations where a group of employees share formal on-call responsibilities on a rotational basis, such as public utility maintenance. In such cases, the use of the take-home vehicle is for the period of on-call assignment only.</i>	

Test 3: The employee is:

- (1) Employed in a public safety position, and
- (2) Is required to use an individually assigned vehicle during their normal tour of duty.

Public safety personnel permitted to use an individually assigned vehicle during their normal tour of duty may use the vehicle for commuting purposes in accordance with the department's standard operating procedures as approved by the City Manager. While not on duty during such commutes, officers may assist on incidences they may encounter as needed and in accordance with departmental procedures. Any time spent responding to such incidents or callback return to work is work time and shall be reported as soon as practical.

- b. Assignments are not permanent. When priorities or circumstances have changed, vehicles should be reassigned. All take home vehicle assignments must be reviewed and evaluated by the Department Head and approved by the Assistant City Manager annually beginning July 1st. The following conditions should be considered:
 - Requirements of the job.
 - Productivity.
 - Availability of City vehicles.
 - Cost to the City.
- c. Department Directors shall determine reasonable schedules and vehicle assignments for rotational, on-call coverage. For other purposes, the Assistant City Manager, at the written request of the Department Director, will authorize full-time take-home vehicles based on the criteria described above.
- d. For the purposes of this policy, the daily commute to and from the employee's work location and normal meal periods within on-duty hours are considered official use.
- e. No passengers may be transported in take-home vehicles except as required for official duties or as approved by the Department Director.
- f. Employees permitted to take a vehicle home (commute) from their workstation may do so for job-related reasons and not as a compensatory measure.
- h. Vehicles so assigned are not intended to be perceived as personal property or interpreted as a salary supplement or fringe benefit. The commuting costs of the use of a city vehicle may be a taxable fringe benefit cost to an employee. Any vehicle not specifically designated as exempt under the 1985 Tax Act (Attachment I), shall result in a taxable fringe benefit to the employee.

- i. The Finance Director shall compute the commuting cost of any non-exempt vehicle taken home by an employee and report this taxable benefit on the employees form W-2 at the end of each calendar year. The City of Kannapolis will only deduct FICA taxes on the cost of this benefit. No Federal or State Income taxes will be deducted by the City, the payment of these taxes will be the responsibility of the employee, when his or her personal income tax return is filed. The gross cost of this benefit is not subject to state retirement deductions.
- j. Overnight assignment will not typically be granted to any employee that lives outside of a five-mile (5) radius from the nearest primary city limit boundary of the City, unless specifically approved by the City Manager.
- k. Employees authorized for the take-home use of a 1985 Tax Act exempt City-owned vehicle under Test 3 alone shall ~~agree to pay a bi-weekly commuting fee (\$10.00) to~~ be allowed daily commuting use of the vehicle to any location up to 30 miles from the nearest primary city boundary.

2) Mileage Reimbursement

The Department Director may authorize mileage reimbursement for an employee who must utilize his/her personal vehicle to conduct City business and who receives no other form of allowance, except as otherwise provided within this policy

- a. Commuting mileage to respond to an after-hours call-back or unscheduled return to work is considered official City business.
- b. Claims for mileage reimbursement shall be made in accordance with current travel expense reimbursement procedures.
- c. The standard rate of mileage reimbursement shall be in accordance with Personnel Policy 700.02, "Travel Expenses While on City Business."

3) Vehicle Expense Allowance

For an employee to be authorized to receive a Vehicle Expense Allowance, one of the following tests must be met:

Test 1:	The employee
(1)	Is on 24-hour call, and
(2)	Is frequently required to work outside of normal business hours or respond to after hours emergencies, and
(3)	Does not require a specialized vehicle, tools or equipment, and
(4)	Is not assigned a take-home vehicle.

Test 2: The employee

- (1) Requires regular, frequent and extensive vehicle usage to perform regular job duties during normal business hours, and
- (2) Is not regularly assigned use of a City-owned vehicle.

- a. The dollar amount of the Vehicle Expense Allowance shall be established and reviewed annually through the budget process. Allowance amounts are to be determined based on the nature and extent of vehicle utilization required for official business.
- b. The City Manager, upon written request from the Department Director, shall review and approve the Vehicle Expense Allowance. Department Directors are responsible for acting upon any change in duty assignment that would alter an employee's eligibility to receive or to discontinue receiving the Vehicle Expense Allowance. Vehicle allowances under IRS rules are considered unsubstantiated business expenses and, as such, are considered wages and fully taxable.
- c. All costs of personal vehicle ownership, operation and maintenance will be the responsibility of the employee.
- d. Employees authorized to receive the Vehicle Expense Allowances must possess a valid North Carolina driver's license, a current state inspection, a current vehicle registration, must have insurance of a type and level required by State law, and must maintain a safe driving history.
- e. The vehicle shall be appropriate for City business, consistent with the duties and responsibilities of the employee.
- f. Except for infrequent incidences necessitated for personal vehicle maintenance or non-typical use of personal vehicle for business purposes, employees receiving the Vehicle Expense Allowance shall not normally be permitted use of City-owned vehicles for business travel within the city limits and contiguous counties.
- g. For travel outside of the City of Kannapolis and contiguous counties, the employee may (at his/her option) either (1) request per mile reimbursement for the entire trip at the City's established mileage reimbursement rate or (2) request use of a city-owned vehicle, if available.

D. DRIVER RESPONSIBILITIES / REQUIREMENTS:

- 1) Each driver of any City owned vehicle must have a valid North Carolina drivers/operator's license. Should an employee who drives a City owned vehicle be involved in an incident, on or off the job, where their license is suspended or revoked, the employee is obligated to inform their Department Director and the Risk Manager within

24 hours of the incident. Failure to inform the City of a suspended or revoked license may result in immediate dismissal.

- 2) City employees, who drive a combination of vehicles weighing more than 26,001 pounds or more while towing vehicles in excess of 10,000 pounds must have a valid Commercial Class A license. A Class B commercial license is required for operating any single vehicle weighing in excess of 26,001 pounds and when such vehicle is towing a vehicle not in excess of 10,000 pounds. A Class C commercial license is required for any vehicle not covered by Class A or B but is designed to transport 16 or more passengers, including the driver; or is used in the transportation of hazardous materials that require the vehicle to be placarded under C.F.R., Part 172, Subpart F. In addition to the Class C CDL, passenger transportation of sixteen or more passengers also requires a passenger endorsement.
- 3) Employees authorized to drive or are assigned a City owned vehicle are subject to an annual review of their motor vehicle driving status with the State of North Carolina. Employees may be requested to provide a driving history as needed. The Department Head and/or other appropriate committee may review driving privileges on a case-by-case basis.
- 4) Employees are responsible for any vehicle or equipment assigned to them and must report unsafe operations or working conditions via a vehicle inspection or repair request form available in each department or using the sample "Vehicle Repair Request" form available from the City Administrative Office (see Attachment II).
- 5) Employees shall allow sufficient time to reach destinations without violating speed limits or traffic laws. Employees must know and abide by all driving laws in all areas where they operate City vehicles and shall drive defensively at all times.
- 6) It is mandatory that all occupants of a city vehicle use seat belts at all times, unless specifically exempted by NC General Statutes. The driver of the vehicle is responsible for enforcing belt usage by all occupants and shall report any failure to comply with employee's supervisor.
- 7) The City of Kannapolis will not pay traffic tickets or parking fines of employees driving City owned vehicles, nor will the City pay if the employee is authorized to use their personal vehicle on City business. Employees found guilty of moving violations may be subject to corrective action.
- 8) An employee receiving a moving violation while driving a City vehicle has an obligation to immediately inform their department director and the Risk Manager.

E. INSURANCE OF VEHICLES:

- 1) The Risk Manager is responsible for maintaining adequate liability and collision coverage for assigned and unassigned vehicles.
- 2) For insurance purposes, each employee authorized to operate a City owned vehicle must provide the Risk Manager with their name as it appears on the operator's license and their driver's license number.
- 3) The City's insurance is in force when an employee operates city owned vehicles or equipment.
- 4) Property belonging to the City of Kannapolis locked inside a vehicle is covered by the City's insurance against theft; however, personal property stolen from a City-owned vehicle is not covered, even if the personal property is used for city business.
- 5) If your city vehicle is stolen, follow these procedures:
 - a. Report the theft immediately to the local police and the Risk Manager.
 - b. Obtain a copy of the police report filed.
 - c. Provide the Risk Manager with the date and location of where the theft occurred and all relevant information, including the police report.
 - d. Provide the Risk Manager with a list by model and serial number of any equipment stolen.
 - e. Forward the completed incident report (Form H) and/or Police Report to the Risk Manager within three days.

F. MAINTENANCE OF VEHICLES:

- 1) Employees with assigned city-owned vehicles are responsible for monthly inspections of their vehicles. Scheduling of routine maintenance and repairs is the responsibility of the employee to whom the vehicle is assigned.
- 2) Individual departments are responsible for monthly inspections of unassigned vehicles and scheduling routine maintenance and repairs.
- 3) An authorized dealer must perform warranted repairs.
- 4) No alterations may be made to city-owned vehicles without prior written approval by the Department Director or Assistant City Manager.
- 5) No bumper stickers, other than City approved stickers, may be placed on the vehicles.

- 6) Each department is responsible for maintaining accurate and complete maintenance history of files for each assigned vehicle. It is the responsibility of the employee with assigned vehicles and the department for unassigned vehicles to provide the Finance Department with receipts for maintenance and/or repairs.

G. ACCIDENT PROCEDURES:

NOTE: A card describing "What To Do In Case of An Accident" is maintained in the glove box of all City owned vehicles.

Regardless of the situation, the following procedure **MUST** be followed in the event of an accident while in a City owned vehicle:

- 1) Immediate notification of the proper law enforcement agency for accident investigation and report.
- 2) Immediate notification of the employee's supervisor or department director.
- 3) Notification of the Risk Manager within 24 hours of the accident.
- 4) Submit the completed incident report (Form H) (See Attachment III) and/or police report to the Risk Manager within three days.
- 5) If necessary, an injury report must be completed and submitted to the Risk Manager as soon as possible in order to file a workers' compensation claim within 24 hours of the accident.
- 6) Securing accident repair estimates and approval of actual repair work is the responsibility of the employee's department with assistance from the Risk Manager and/or Purchasing Agent.
- 7) Post Accident Substance Abuse Testing

In accordance with the City's Substance Abuse Policy 300.15, Section 2 (e)(1) Accident or Incident, "An employee who is involved in an accident or incident, in which there is, or reasonably could have been personal injury or property damage, will be considered for testing. Not every incident or injury may result in a test. Reasonable determination that action or inaction of the employee contributed to the incident or accident shall be made prior to a request for testing. While it is impossible to list every factor that might lead to a reasonable determination, the facts listed under in the Substance Abuse Policy, Section 2 (e)(2) Evidence of Substance Abuse may be considered.

See Related Policies

Policy No. 300.15	Substance Abuse
Policy No. 700.02	Travel Expenses

Approved:

Mike Legg, City Manager

Effective Date

ATTACHMENT I

Exempt Vehicles 1985 Tax Act

Vehicles which are qualified non-personal vehicles include the following:

- A. Clearly marked police and fire vehicles,
- B. Ambulances used as such or hearses used as such,
- C. Any vehicle designed to carry cargo with a loaded gross vehicle weight over 14,000 pounds,
- D. Bucket Trucks (“cherry pickers”),
- E. Cement Mixers,
- F. Combines,
- G. Cranes and derricks,
- H. Delivery trucks with seating for only the driver, or only for the driver plus a folding jump seat,
- I. Dump trucks (including garbage trucks),
- J. Flatbed trucks,
- K. Forklifts,
- L. Passenger buses used as such with a capacity of at least 20 passengers,
- M. Qualified moving vans,
- N. Qualified specialized utility repair trucks,
- O. Refrigerated trucks,
- P. School buses,
- Q. Tractors and other special purpose farm vehicles, and
- R. Unmarked vehicles used by law enforcement officers if the use is officially authorized.

ATTACHMENT II

Vehicle Repair Request Sample

Complete those sections that only apply to you. Report should be completed and turned in same day as accident.

I. **EMPLOYEE:** Complete and turn in to supervisor immediately.

1. Name: _____ Department _____

2. Vehicle #: _____

3. Reason for Repair Request (List and describe problem or noises):

4. When did you first starting noticing the problem? _____

5. Print Name: _____

Employee Signature _____ Date _____

Supervisor/Department Head _____ Date _____

ATTACHMENT III

FORM H: SUPERVISOR'S ACCIDENT/INCIDENT INVESTIGATION REPORT"



**City of Kannapolis
City Council Meeting
July 9, 2018
Staff Report**

TO: Mayor and City Council
FROM: Tina Cline, HR Director
TITLE: Personnel Policy 400.01 - Position Classification Plan

A. Action Requested by City Council

Motion to amend Personnel Policy 400.01 - Position Classification Plan to be effective July 4, 2018.

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

The adopted FY 2019 annual budget included funding for a 2% across the board cost of living adjustment. The Position Classification Plan is updated to increase the pay grade ranges by 2%.

The approved budget also included implementation of a career advancement program to provide supplemental pay to employees with limited opportunities for upward mobility in certain departments. The Position Classification Plan is updated to incorporate new classifications to facilitate implementation of the incentive plan for the Fire Department. New classifications for this purpose include: **Fire Inspector I (Grade 71), Fire Inspector II (Grade 72), and Fire Inspector III (Grade 73).**

Other amendments to the Position Classification Plan include:

- **Park Maintenance Technician IV (Grade 66)** - related to the transfer of grounds maintenance to Parks and Recreation. All grounds maintenance positions will be reclassified to Parks Maintenance Technicians to keep classification titles and job duties consistent within Parks and Recreation department.
- **Communications Specialist (Grade 70)** - correction to the Plan when this position was transferred to Communications last year. This reclassifies the previous Community Outreach Coordinator classification to Communications Specialist.
- **Communications Multimedia Specialist (Grade 74)** - new position included in the FY 19 approved budget. This adds the classification to the Position Classification Plan; however, **the position itself is on hold pending further City Council discussion and the completion of the preliminary compensation study.**
- **Fire Marshal (Grade 76)** - related to restructure of duties and anticipated growth and

development. An existing position will be reclassified at a later date.

- **Senior Engineer Technician (Grade 77)** - related to growth and development. An existing position will be reclassified and is necessary to address line level supervisory demands within the Engineering Division.

D. Fiscal Considerations

Funding to implement amendments to the Position Classification Plan was included in the approved FY 2019 budget. No additional funding is required.

E. Policy Issues

None

F. Legal Issues

Amendments to the Position Classification Plan require Council approval.

G. Alternative Courses of Action and Recommendation

1. **Motion to amend Personnel Policy 400.01 - Position Classification Plan to be effective July 4, 2018 (Recommended)**
2. Do Not Amend Personnel Policy
3. Table Action to a future meeting

ATTACHMENTS:

File Name

400.01_Classification_Schedule_-_Effective_July_4__2018.xlsx

**CITY OF KANNAPOLIS
CLASSIFICATION PLAN
EFFECTIVE JULY 4, 2018 (2% Adjustment)**

			Salary Range				
Job Class Code	Department	Job Classification	Grade	Development Range		Merit Range	
				Minimum	15%	Midpoint	Maximum
			52	\$15,680	\$18,032	\$19,992	\$24,304
			53	\$16,464	\$18,934	\$20,992	\$25,519
			54	\$17,287	\$19,880	\$22,041	\$26,795
1900	Parks	Concession Worker	55	\$18,152	\$20,874	\$23,143	\$28,135
			56	\$19,059	\$21,918	\$24,300	\$29,542
1905	Parks	Park Attendant	57	\$20,012	\$23,014	\$25,515	\$31,019
1200	Global	Clerk I	58	\$21,013	\$24,165	\$26,791	\$32,570
			59	\$22,063	\$25,373	\$28,131	\$34,198
5220 5420 1910 1915 5225	General Services General Services Parks Parks General Services	Building Engineer I Grounds Engineer I Park Maintenance Technician I Park Operations Specialist Porter	60	\$23,167	\$26,641	\$29,537	\$35,908

			Salary Range				
Job Class Code	Department	Job Classification	Grade	Development Range		Merit Range	
				Minimum	15%	Midpoint	Maximum
			61	\$24,325	\$27,974	\$31,014	\$37,703
5215 5415 1920 1000	General Services General Services Parks Global	Building Engineer II Grounds Engineer II Park Maintenance Technician II Senior Office Assistant	62	\$25,541	\$29,372	\$32,565	\$39,589
1300 1800	Customer Service Police	Customer Service Representative Records Clerk	63	\$26,818	\$30,841	\$34,193	\$41,568
5210 1400 1010/1100 5410 1925 1930 1310 1450	General Services Public Works Global General Services Parks Parks Customer Service Public Works	Building Engineer III Construction Maintenance Worker I Executive Office Assistant Grounds Engineer III Park Maintenance Technician III Recreation Program Assistant Senior Customer Service Representative Warehouse Assistant	64	\$28,159	\$32,383	\$35,903	\$43,646

			Salary Range				
Job Class Code	Department	Job Classification	Grade	Development Range		Merit Range	
				Minimum	15%	Midpoint	Maximum
1210	Finance	Accounting Technician I	65	\$29,567	\$34,002	\$37,698	\$45,829
1405	Public Works	Construction Maintenance Worker II					
1330	Customer Service	Customer Care Representative					
1445	Public Works	Meter Service Technician					
1320	Customer Service	Utility Billing Specialist					
1710	Fire	Reserve Firefighter					
1810	Police	Telecommunicator					
1020	Global	Administrative Assistant	66	\$31,045	\$35,702	\$39,583	\$48,120
5205	General Services	Building Engineer IV					
5405	General Services	Grounds Engineer IV					
1408	Public Works	Heavy Equipment Operator					
1926	Parks	Park Maintenance Technician IV					
1220	Finance	Accounting Technician II	67	\$32,598	\$37,487	\$41,562	\$50,526
1705/1700	Fire	Firefighter/ Firefighter P/T					
1935	Parks	Park Manager I					
1345	Customer Service	Revenue Collection Specialist					
1340	Customer Service	Senior Utility Billing Specialist					
1460	Public Works	Water Quality Technician					
1465	Public Works	Water Treatment Plant Maintenance Worker					
1470	Public Works	Water Treatment Plant Operator I					
1422	Public Works	Construction Maintenance Technician	68	\$34,227	\$39,362	\$43,640	\$53,053
4030	Planning	Code Enforcement Officer	69	\$35,939	\$41,330	\$45,822	\$55,705
1830	Police	DARE Officer					
1817	Police	Evidence/Property Control Technician					
1600	Human Resources	Human Resource Technician					

			Salary Range				
Job Class	Department	Job Classification	Grade	Development Range		Merit Range	
Code				Minimum	15%	Midpoint	Maximum
1940	Parks	Park Manager II					
4025	Planning	Planning Technician					
1850	Police	Police Detective					
1820	Police	Police Officer					
1715	Fire	Quality Assurance Coordinator					
1805	Police	Records Supervisor					
1840	Police	School Resource Officer					
1815	Police	Telecommunicator Shift Supervisor					
1865	Police	Training Coordinator					
1475	Public Works	Water Treatment Plant Operator II					
1110	Public Works	Community Outreach Coordinator	70	\$37,736	\$43,396	\$48,113	\$58,490
	City Manager	Communications Specialist					
1425	Public Works	Crew Chief					
5200	General Services	Facility Manager					
1720	Fire	Fire Engineer					
5400	General Services	Grounds Manager					
1816	Police	Police Planner/Accreditation Manager					
1455	Public Works	Warehouse Manager					
1230	Finance	Accountant I	71	\$39,623	\$45,566	\$50,519	\$61,415
1725	Fire	Fire Inspector I					
1950	Parks	Recreation Programmer/Special Events Coordinator					

			Salary Range				
Job Class Code	Department	Job Classification	Grade	Development Range		Merit Range	
				Minimum	15%	Midpoint	Maximum
1350	Customer Service	Billing and Collections Supervisor	72	\$41,604	\$47,844	\$53,045	\$64,486
1430	Public Works	Crew Supervisor					
1490	Public Works	Engineering Technician					
1730	Fire	Fire & Life Safety Educator					
1726	Fire	Fire Inspector Fire Inspector II					
1610	Human Resources	Human Resource Analyst					
4020	Planning	Planner					
1435	Public Works	Planner/Scheduler					
1120	City Manager	City Clerk	73	\$43,684	\$50,236	\$55,697	\$67,710
1727	Fire	Fire Inspector III					
1250	Finance	Purchasing Agent					
1260/1262	Finance	Senior Accountant / Sr Accountant P/T					
1860	Police	Sergeant					
1811	Police	Telecommunications Center Manager					
1480	Public Works	Water Treatment Plant Supervisor					
1735 4015	City Manager	Communications Multimedia Specialist	74	\$45,868	\$52,748	\$58,482	\$71,096
	Fire	Fire Captain					
	Planning	Gis Specialist					
1265	Finance	Budget Analyst	75	\$48,161	\$55,386	\$61,406	\$74,650
1130	City Manager	Community Development Program Administrator					
1495	Public Works	Operations Manager					
1870	Police	Police Lieutenant					
1615	Human Resource	Risk Manager					
1740	Fire	Battalion Chief	76	\$50,570	\$58,155	\$64,476	\$78,383

			Salary Range				
Job Class Code	Department	Job Classification	Grade	Development Range		Merit Range	
				Minimum	15%	Midpoint	Maximum
1491	Public Works	Civil Engineer I					
1728	Fire	Fire Marshal					
1738	Fire	Logistics Manager					
1737	Fire	Training Manager					
1494	Public Works	Senior Engineer Technician	77	\$53,098	\$61,063	\$67,700	\$82,302
4010	Planning	Senior Planner					
1485	Public Works	Water Treatment Plant Manager					
1155 1150 5000	City Manager City Manager General Services	Communications & Marketing Director Director of Economic & Community Development General Services Director	78	\$55,753	\$64,116	\$71,085	\$86,417
1750 1880	Public Works Fire Police	Civil Engineer II Division Chief Police Captain	79	\$58,541	\$67,322	\$74,639	\$90,738
1500 1270 1140	Public Works Finance Customer Service	Assistant Public Works Director Deputy Finance Director Director of Customer Service & Revenue Collections	80	\$61,468	\$70,688	\$78,371	\$95,275
			81	\$64,541	\$74,222	\$82,290	\$100,039
1755 1885	Fire Police	Assistant Fire Chief Deputy Chief of Police	82	\$67,768	\$77,933	\$86,404	\$105,040
1955	Parks	Parks & Recreation Director	83	\$71,156	\$81,830	\$90,724	\$110,293

			Salary Range				
Job Class Code	Department	Job Classification	Grade	Development Range		Merit Range	
				Minimum	15%	Midpoint	Maximum

			Salary Range				
Job Class Code	Department	Job Classification	Grade	Development Range		Merit Range	
				Minimum	15%	Midpoint	Maximum
1620	Public Works Human Resource	City Engineer Human Resource Director	84	\$74,714	\$85,921	\$95,261	\$115,807
1280 4000 1505	Finance Planning Public Works	Finance Director Planning Director Public Works Director	85	\$78,450	\$90,217	\$100,024	\$121,597
1890 1760	Police Fire	Chief of Police Fire Chief	86	\$82,372	\$94,728	\$105,025	\$127,677
			87	\$86,491	\$99,465	\$110,276	\$134,061
1160	City Manager	Deputy City Manager	88	\$90,816	\$104,438	\$115,790	\$140,764
			89	\$95,356	\$109,660	\$121,579	\$147,803
			90	\$100,124	\$115,143	\$127,658	\$155,193
			91	\$105,130	\$120,900	\$134,041	\$162,952
			92	\$110,387	\$124,456	\$137,984	\$167,745
			93	\$115,906	\$133,292	\$147,781	\$179,655

			Salary Range				
Job Class	Department	Job Classification	Grade	Development Range		Merit Range	
Code				Minimum	15%	Midpoint	Maximum

Not Assigned to a Pay Grade

- Administrative Intern - Flat rate position
- City Attorney - Contract Position
- City Manager - Contract Position
- Finance Management Fellowship - Flat rate position



**City of Kannapolis
City Council Meeting
July 9, 2018
Staff Report**

TO: Mayor and City Council
FROM: Zachary D. Gordon, AICP, Planning Director
TITLE: Voluntary Annexation of Property - 3821 Shiloh Church Road

A. Action Requested by City Council

- 1. Motion to approve a Resolution directing the Clerk to investigate the sufficiency of the petition and prepare a Certificate of Sufficiency;**
- 2. Motion to approve a Resolution of Intent to annex property located at 3821 Shiloh Church Road - Property Identification Number (PIN) 4672-69-6150 and Fix Date of Public Hearing on Question of Annexation for July 23, 2018**

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

The owners of the subject property, Kenneth and Teresa Irvin, have submitted a petition for the voluntary annexation for property located at 3821 Shiloh Church Road. The property is currently located in an unincorporated portion of Cabarrus County in an area identified as the "Western Planning Area" of the County's long-range plan. The parcel is currently vacant and has a Cabarrus County zoning designation of CR - Countryside Residential. This annexation will allow for the property to be developed as part of a residential subdivision to be located on adjoining property that was recently annexed by the City.

The petition is for a contiguous annexation. (See attached Vicinity Map).

As is required by the North Carolina General Statutes, an initial City of Kannapolis zoning designation must be applied to the property by the Planning and Zoning Commission within 60 days of the effective date of the annexation. The Planning and Zoning Commission will be reviewing a request for a conditional rezoning for a residential subdivision, which includes this property, at their August 8, 2018 meeting.

D. Fiscal Considerations

None

E. Policy Issues

The subject property is located in an unincorporated area of Cabarrus County that is currently zoned CR, with a 2 acre required minimum lot size. While this property is located outside of the City's corporate limits, it is within an area designated as "Proposed Kannapolis Growth Area", in an "Annexation Agreement" between the City of Kannapolis and City of Concord (see attached). The City is in the process of extending utilities in this area to facilitate future development.

According to the City's current long range planning document - *Move Kannapolis Forward 2030 Comprehensive Plan*, this property is located in a designated "Primary Service Area".

A Primary Service Area is "land where provision of services is preferred. These are areas to encourage development within the planning horizon. Annexation is also envisioned as a part of the agreement to provide services."

F. Legal Issues

Prior to considering the Annexation Ordinance, pursuant to NCGS 160A-31, the City Council must first direct the City Clerk to investigate the sufficiency of the petition. City Council must also adopt a Resolution of Intent to Annex and fix a public hearing date for consideration of the petition. It is requested that the public hearing date be set for July 23, 2018.

G. Alternative Courses of Action and Recommendation

1. **Motion to approve a Resolution Directing the Clerk to Investigate the sufficiency of the petition and prepare a Certificate of Sufficiency for the Petition (Recommended).**
2. **Motion to approve a Resolution of Intent to Annex for property located at 3821 Shiloh Church Road - Property Identification Number (PIN) 4672-69-6150 and Fix Date of Public Hearing on Question of Annexation (Recommended).**
3. Do not approve Resolutions.
4. Table action to a future meeting.

ATTACHMENTS:

File Name

- ❑ A-2018-04_Annexation_request.pdf
- ❑ Vicinity_A_2018_04.pdf
- ❑ A-2018-04_Legal_Description.pdf
- ❑ Survey_Plan.pdf
- ❑ Resolution_directing_the_Clerk_to_investigate_an_intent_to_annex.pdf
- ❑ Cert_of_Sufficiency.pdf
- ❑ Resolution_to_set_a_public_hearing.pdf
- ❑ City_of_Concord-Annex_Agreement_-_without_metes_and_bounds_attachments.pdf
- ❑ Non-annexation_Map_Concord_-A-2018-03.pdf



PETITION REQUESTING A NON-CONTIGUOUS (SATELLITE) ANNEXATION

DATE: 4/30/2018

To the City Council of the City of Kannapolis, North Carolina:

1. We, the undersigned owners of real property, respectfully request that the area described in paragraph 2 below be annexed to the City of Kannapolis, North Carolina.
2. The area to be annexed is non-contiguous to the City of Kannapolis, North Carolina and the boundaries of such territory are as follows:

See Attached **Survey Map** and **Metes and Bounds Description**

3. A vicinity map is attached showing the area proposed for annexation in relation to the primary corporate limits of the City of Kannapolis, North Carolina (and in relation to the primary corporate limits of another municipality if substantial question of whether the area is closer to another municipality than to the City of Kannapolis, North Carolina).

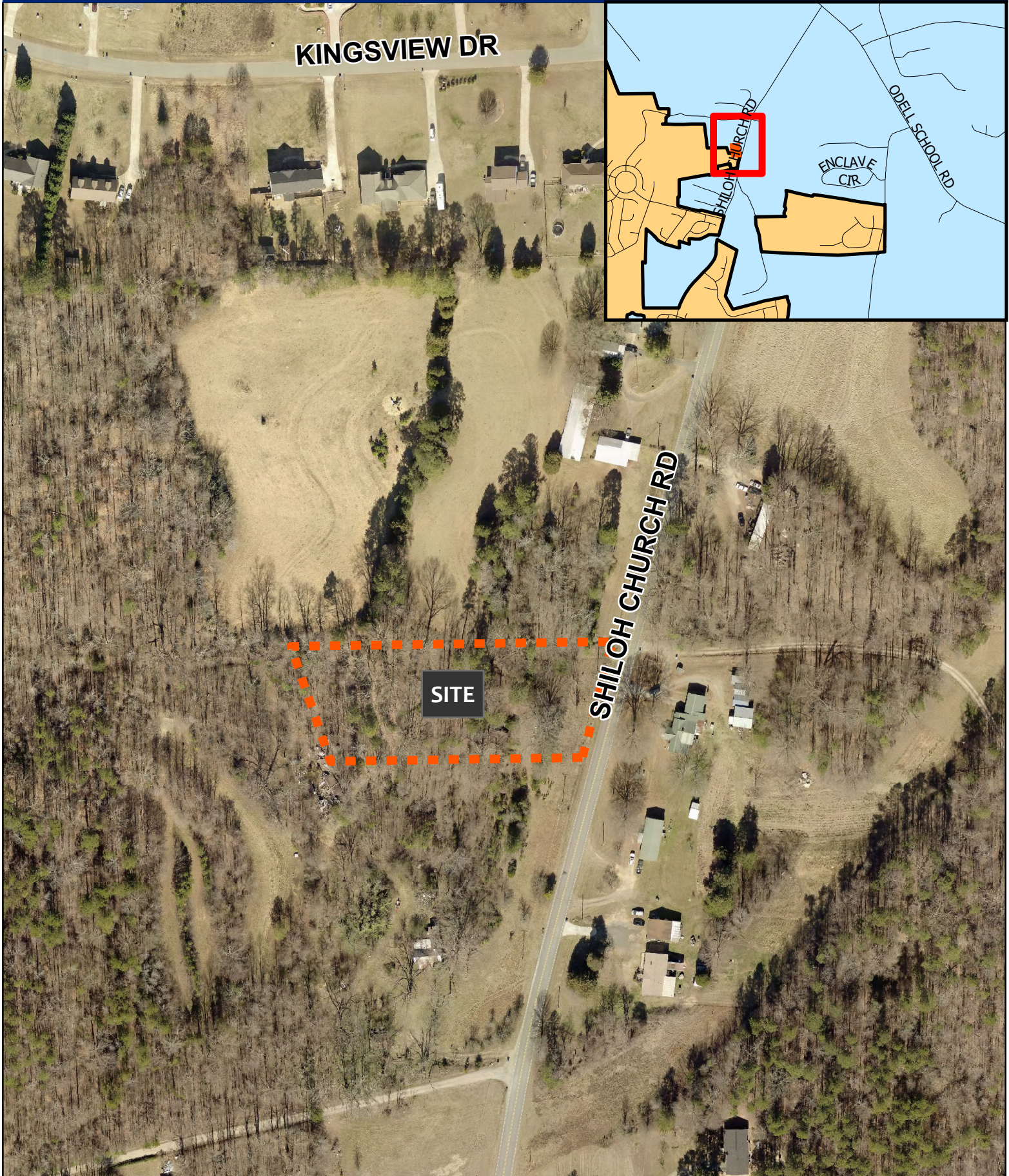
<u>Name</u> (print or type)	<u>Address</u>	<u>Signature</u>
1. <u>Kenneth Irvin</u>	<u>421 10th Street NE Naples, FL 33964</u>	<div>DocuSigned by: E695B12544E644B...</div>
2. <u>Teresa Irvin</u>	<u>421 10th Street NE Naples, FL 33964</u>	<div>DocuSigned by: E695B12544E644B...</div>
3. _____	_____	_____
4. _____	_____	_____

*Family members (e.g., husbands and wives) need to sign separately. Signatures for corporations, institutions, etc., are by those with the authority to sign legal documents.



Vicinity Map

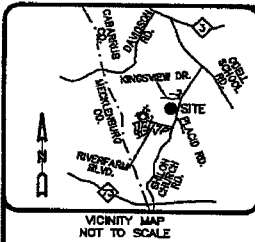
Case Number: A-2018-04
Applicant: Kenneth and Teresa Irvin
Pin: 4672-69-6150



Legal Description
Cabarrus County tax parcel 4672-69-6150

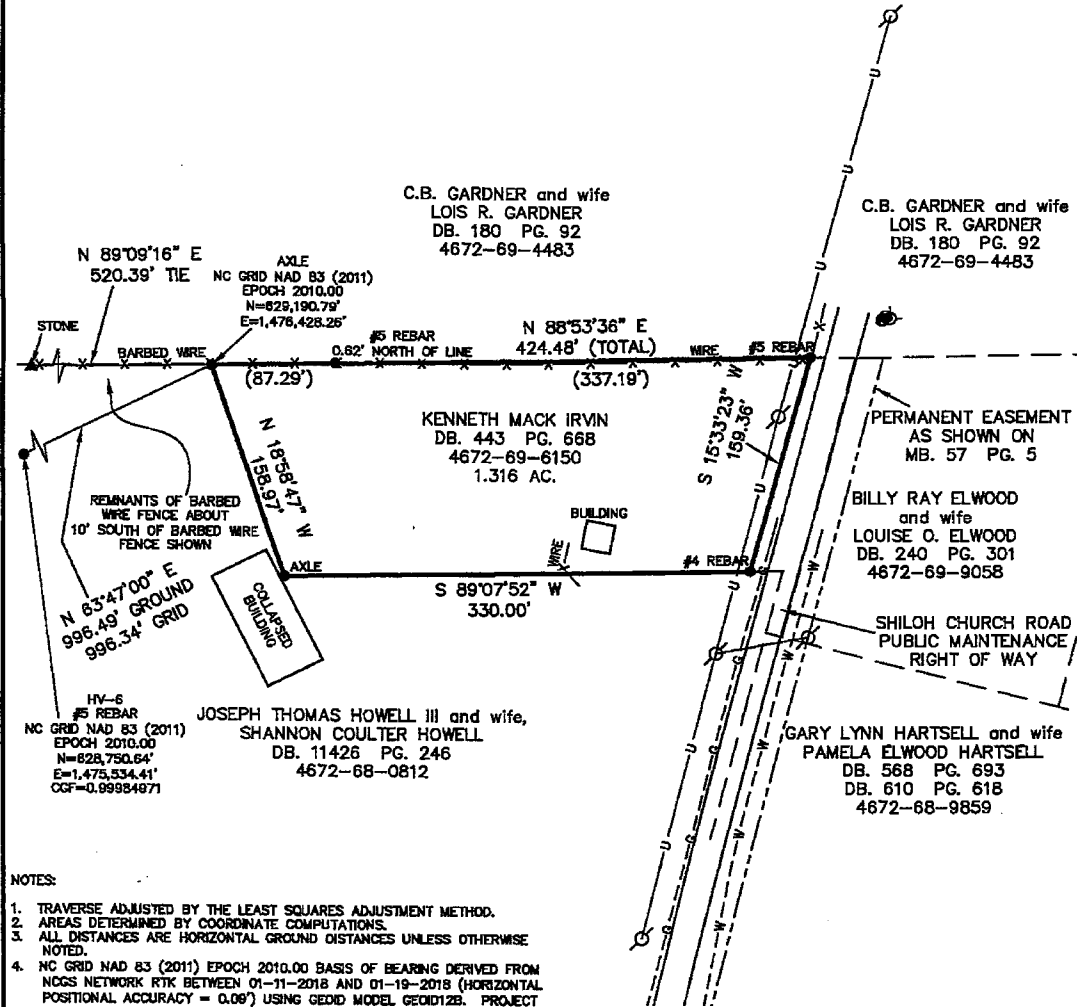
Lying and being in Number 3 Township, Cabarrus County, North Carolina, and lying on the western side of Shiloh Church Road (public maintenance right of way), and being the property of Kenneth Mack Irvin (Deed Book 443 at page 668), and being more particularly described as follows:

Commencing at control point HV-6, a #5 rebar having NC NAD 83 (2011) epoch 2010.00 grid coordinates of N=628,750.64 feet, and E=1,475,534.41 feet; thence N $63^{\circ}47'00''$ E and a ground distance of 996.49 feet (combined grid factor=0.99984971) to an existing axle having NC NAD 83 (2011) epoch 2010.00 grid coordinates of N=629,190.79 feet, and E=1,476,428.26 feet, said axle being a corner of Joseph Thomas Howell III and wife, Shannon Coulter Howell (Deed Book 11426 at page 246), in the southern line of C.B. Gardner and wife Lois R. Gardner (Deed Book 180 at page 92) and the POINT OF BEGINNING; thence from the POINT OF BEGINNING with the southern line of said Gardner N $88^{\circ}53'36''$ E (passing an existing #5 rebar 0.62 feet north of line at 87.29 feet) a total distance of 424.48 feet to an existing #5 rebar on the western side of Shiloh Church Road (public maintenance right of way); thence with the western side of Shiloh Church Road S $15^{\circ}33'23''$ W 159.36 feet to an existing #4 rebar; thence with Joseph Thomas Howell III and wife, Shannon Coulter Howell (Deed Book 11426 at page 246) the following two courses and distances: 1) S $89^{\circ}07'52''$ W 330.00 feet to an existing axle; and 2) N $18^{\circ}58'47''$ W 158.97 feet to the POINT OF BEGINNING containing 1.316 acres.



LEGEND	
	EXISTING CORNER AS DESCRIBED
	EXISTING STONE
	UTILITY POLE
	HYDRANT
	WATER VALVE
	BOUNDARY AS SURVEYED
	TIE LINE
	BOUNDARY BY DEED OR PLAT
	EASEMENT
	OVERHEAD UTILITY LINE
	UNDERGROUND WATERLINE
	UNDERGROUND GAS LINE
	FENCE

BASIS OF BEARING
NC GRID NAD 83 (2011)
EPOCH 2010.00



NOTES:

1. TRAVERSE ADJUSTED BY THE LEAST SQUARES ADJUSTMENT METHOD.
2. AREAS DETERMINED BY COORDINATE COMPUTATIONS.
3. ALL DISTANCES ARE HORIZONTAL GROUND DISTANCES UNLESS OTHERWISE NOTED.
4. NC GRID NAD 83 (2011) EPOCH 2010.00 BASIS OF BEARING DERIVED FROM NCGS NETWORK RTK BETWEEN 01-11-2018 AND 01-19-2018 (HORIZONTAL POSITIONAL ACCURACY = 0.09') USING GEOD MODEL GEOD12B. PROJECT LOCALIZED HOLDING CONTROL PT. HV-6 (N=828,750.64', E=1,475,534.41'), AND USING A COMBINED GRID FACTOR OF 0.99984971. UNITS ARE US SURVEY FEET.
5. SOURCE FOR UNDERGROUND UTILITY LOCATIONS IS ALLIED ASSOCIATES, P.A. FROM JANUARY 2018. CESI IS ONLY RESPONSIBLE FOR THE LOCATION OF ALLIED ASSOCIATES, P.A. MARKINGS AND NOT THE ACTUAL LOCATION OF UTILITIES BEING MARKED. THERE MAY BE OTHER UNDERGROUND UTILITIES ON THIS SITE OTHER THAN THOSE SHOWN. BEFORE DOING ANY DIGGING, CALL NC ONE-CALL (1-800-632-4949).
6. AREA IS LOCATED IN FLOOD ZONE X (AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN; AREAS OUTSIDE FUTURE CONDITIONS 1% ANNUAL CHANCE FLOODPLAIN) AS SCALED FROM F.I.R.M. MAP NUMBER 3710467200K; MAP REVISED MARCH 2, 2008.

REFERENCES:

1. ALL DEEDS AND MAPS SHOWN HEREON.
2. MAP TITLED "MUNICIPAL UTILITY EASEMENT OF WESTERN CABARRUS WATER IMPROVEMENTS" BY ALLEY, WILLIAMS, CARMEN, & KING, INC.; DATED DECEMBER 2, 2008; MB. 57 PG. 5.

I, David L. Haywood, Jr., certify that this plot was drawn under my supervision from an actual survey performed under my supervision (deed recorded in Deed Book 443, page 688); that the boundaries not surveyed are clearly indicated as such; from information found in deeds as shown; that the scale of this map is 1:16,200; and that this map meets the requirements of the standards of practice for Land Surveying in North Carolina (Chapter 170B, G.S. 170B-100).

Witness my original signature and seal on the 14th day of May, 2018.

David L. Haywood,

L-4822

PROPERTY OF: KENNETH MACK IRVIN
NUMBER 3 TOWNSHIP, CABARRUS COUNTY, NORTH CAROLINA
DEED RECORDED IN DB. 443, PG. 688
SURVEY FOR: SHERWOOD DEVELOPMENT GROUP
SCALE: 1 IN. = 100 FT. DATE: APRIL 27, 2018



Civil - Geotechnical - Surveying
45 SPRING STREET SW CONCORD (704) 786-5404
CONCORD, NC 28025 FAX (704) 786-7454
N.C. FIRM LICENSE NO. C-0253

JOB NO.: 180185.000
ACAD FILE: IRVIN.dwg

**RESOLUTION DIRECTING THE CLERK TO INVESTIGATE AN
INTENT TO ANNEX UNDER Chapter 160A ARTICLE 4A**

WHEREAS, the City Council may initiate annexation of contiguous property owned by the petitioners by adopting a resolution stating its intent to annex the property of the area described herein; and

WHEREAS, N.C.G.S Chapter 160A, Article 4A, Part 1 provide that the sufficiency of the petition shall be investigated by the City Clerk of the City of Kannapolis, North Carolina before further annexation proceedings consistent within the intent to annex can take place; and

WHEREAS, the City Council of the City of Kannapolis, North Carolina deems it advisable to direct the City Clerk to investigate the sufficiency of the intent to annex;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Kannapolis, North Carolina that:

The City Clerk is hereby directed to investigate the sufficiency of the above-described intent to annex under N.C.G.S. Chapter 160A, Article 4, Part 1 and to certify as soon as possible to the City Council the result of the investigation.

ADOPTED this the 9th day of July 2018.

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC
City Clerk

CERTIFICATE OF SUFFICIENCY

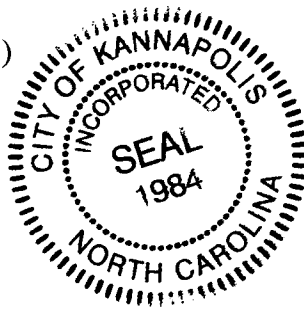
To the City Council of the City of Kannapolis, North Carolina.

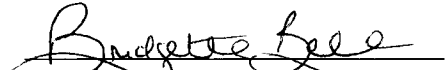
I, Bridgette Bell, Kannapolis City Clerk, do hereby certify that I have investigated the attached petition and hereby make the following findings:

- a) The petition contains an adequate property description of the area proposed for annexation.
- b) The area described in petition is contiguous to the City of Kannapolis primary corporate limits, as defined by G.S. 160A-31.
- c) The petition is signed by and includes addresses of all owners of real property lying in the area described therein.

In witness whereof, I have hereunto set my hand and affixed the seal of the City of Kannapolis, this 9th day of July 2018.

(SEAL)




Bridgette Bell, NCCMC, MMC
City Clerk

**RESOLUTION OF INTENT TO ANNEX AND FIX DATE OF PUBLIC HEARING ON QUESTION OF
ANNEXATION PURSUANT TO CHAPTER 160A ARTICLE 4A (Part 1) Section 160A-31(a)**

WHEREAS, pursuant to NCGS 160A-31 the City Council may initiate annexation of real property contiguous to the City's boundary pursuant to a Petition for Annexation by all property owners located therein by adopting a Resolution stating its intent to annex the property described.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Kannapolis, North Carolina that:

Section 1. A public hearing on the question of annexation of the area described herein will be held at the Laureate Center, 401 Laureate Way, Kannapolis, NC at 6:00 PM on the 23rd day of July, 2018.

Section 2. The area proposed for annexation is described as follows:

Lying and being in Number 3 Township, Cabarrus County, North Carolina, and lying on the western side of Shiloh Church Road (public maintenance right of way), and being the property of Kenneth Mack Irvin (Deed Book 443 at page 668), and being more particularly described as follows:

Commencing at control point HV-6, a #5 rebar having NC NAD 83 (2011) epoch 2010.00 grid coordinates of N=628,750.64 feet, and E=1,475,534.41 feet; thence N 63°47'00" E and a ground distance of 996.49 feet (combined grid factor=0.99984971) to an existing axle having NC NAD 83 (2011) epoch 2010.00 grid coordinates of N=629,190.79 feet, and E=1,476,428.26 feet, said axle being a corner of Joseph Thomas Howell III and wife, Shannon Coulter Howell (Deed Book 11426 at page 246), in the southern line of C.B. Gardner and wife Lois R. Gardner (Deed Book 180 at page 92) and the POINT OF BEGINNING; thence from the POINT OF BEGINNING with the southern line of said Gardner N 88°53'36" E (passing an existing #5 rebar 0.62 feet north of line at 87.29 feet) a total distance of 424.48 feet to an existing #5 rebar on the western side of Shiloh Church Road (public maintenance right of way); thence with the western side of Shiloh Church Road S 15°33'23" W 159.36 feet to an existing #4 rebar; thence with Joseph Thomas Howell III and wife, Shannon Coulter Howell (Deed Book 11426 at page 246) the following two courses and distances: 1) S 89°07'52" W 330.00 feet to an existing axle; and 2) N 18°58'47" W 158.97 feet to the POINT OF BEGINNING containing 1.316 acres.

Section 3. Notice of public hearing shall be published in the Independent Tribune on July 11, 2018

ADOPTED this the 9th day of July, 2018.

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC
City Clerk

STATE OF NORTH CAROLINA

ANNEXATION AGREEMENT

COUNTY OF CABARRUS

WHEREAS, the City of Kannapolis, a North Carolina municipal corporation, (hereinafter "Kannapolis") and the City of Concord, a North Carolina municipal corporation, (hereinafter "Concord") have undertaken a joint planning effort to encourage the orderly development of the unincorporated areas adjacent to the two municipalities; and

WHEREAS, Kannapolis and Concord desire to reduce uncertainty among residents and property owners in the potential growth areas of the municipalities which will improve planning by both public and private interests in such areas; and

WHEREAS, the General Statutes of North Carolina, Chapter 160A, Section 58.21 et seq. authorized municipalities to enter into binding agreements relating to future annexations and designating areas which are not subject to annexation by each participating municipality; and

NOW, THEREFORE upon the premises contained herein the parties hereto agree as follows:

1. This Agreement is executed pursuant to the authority of Article 4A, Part 6 of G.S. Chapter 160A of the North Carolina General Statutes (the "Act").
2. Subject to the provisions hereinafter stated, Kannapolis shall not annex the following area(s) shown on Exhibit "B.1" and "B.2" which are incorporated herein as a part of this Agreement.
3. Subject to the provisions hereinafter stated, Concord shall not annex the following area(s) shown on Exhibit "A.1," "A.2," "A.3," "A.4," and "A.5" which are incorporated herein as a part of this Agreement.
4. The effective date of this Agreement is December 11, 2003, or the date of adoption of an ordinance approving this Agreement by the last participating city to do so, whichever is later, and shall terminate at 12:01 am on the tenth anniversary following the effective date, or as otherwise terminated as provided herein.
5. This Agreement shall not be effective unless and until each participating city has held a public hearing on this Agreement, or the participating cities have held a joint public hearing, prior to adopting the ordinance approving this Agreement. Until such time as the required public hearings are held and the respective approving ordinances are adopted, this Agreement shall be considered a proposed agreement.

6. At least sixty (60) days prior to the adoption of any annexation ordinance affecting geographical area which is subject to this Agreement, the participating city proposing such annexation shall give written notice to the other participating city of the proposed annexation. Such notice shall describe the area to be annexed by a legible map, clearly and accurately showing the boundaries of the area to be annexed in relation to this Agreement delineated by roads, streams and any other prominent geographical features. Such notice shall not be effective for more than 180 days.
7. This Agreement may be modified or terminated only by a subsequent amending agreement adopted and executed by each participating cities. Any amending agreement shall be adopted by ordinance after public hearings as provided in G.S. 160A-31(c).
8. This Agreement shall not be binding beyond three miles of the primary corporate limits of a participating city unless approved by the Cabarrus County Board of County Commissioners. Provided, however, that any area where this Agreement is not binding because of failure of the Board of County Commissioners to approve it, shall become subject to this Agreement if a subsequent annexation brings it within three miles. The approval of a Board of County Commissioners shall be evidenced by a resolution adopted after a public hearing as provided in G.S. 160A-58.24(c) and (e) and 160A-31(c).
9. This Agreement may be terminated by a participating city, by repealing the ordinance which approved this Agreement and providing a five year advance written notice to the other participating city. Upon the expiration of the five-year notice period, this Agreement shall terminate.
10. From and after the effective date of this Agreement, no participating city may adopt an annexation ordinance as to all or any portion of an area in breach of this Agreement:
11. Nothing in this Agreement shall be construed to authorize the annexation of any area which is not otherwise subject to annexation under applicable law.
12. This Agreement contains the entire agreement between the participating cities.

IN WITNESS WHEREOF, the Mayors of the participating cities execute this Agreement in duplicate, to become effective as provided in paragraph 4 hereinabove, this the _____ day of December, 2003.

CITY OF KANNAPOLIS

By: O. Ray Moss
O. Ray Moss, Mayor

ATTEST:

Bridgette Bell
Bridgette Bell, CMC, City Clerk

APPROVED AS TO FORM:

Walter M. Safrit, II
Walter M. Safrit, II, City Attorney



CITY OF CONCORD

By: Scott Padgett
Scott Padgett, Mayor

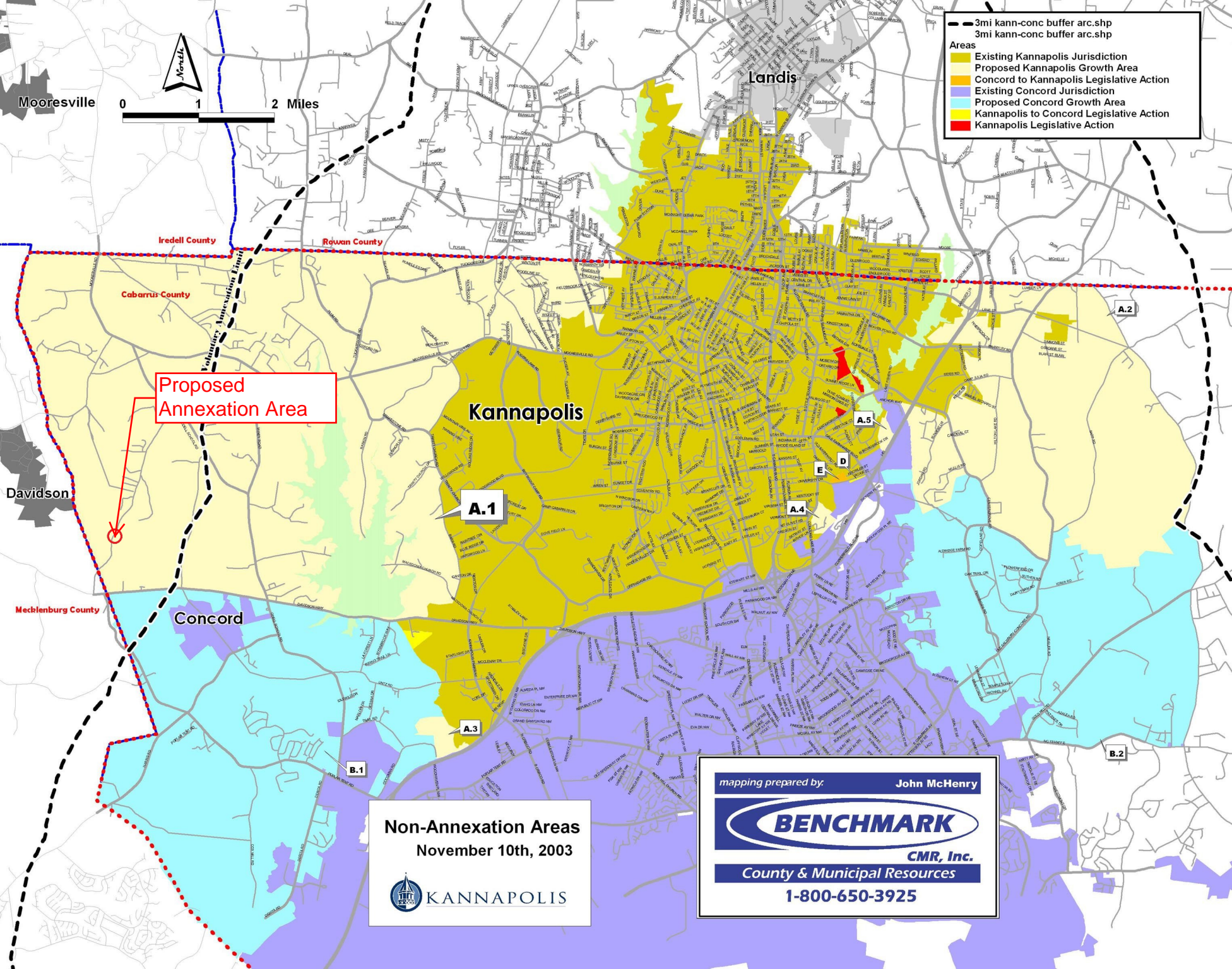
ATTEST:

Vickie C. Weant
Vickie Weant, CMC, City Clerk

APPROVED AS TO FORM:

Albert Benshoff
Albert Benshoff
City Attorney







**City of Kannapolis
City Council Meeting
July 9, 2018
Staff Report**

TO: Mayor and City Council
FROM: Irene Sacks, Director of Economic & Community Development
TITLE: Lease for 443 N. Cannon Blvd

A. Action Requested by City Council

Motion to authorize the City Manager to execute lease for 443 N. Cannon Blvd

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

The City purchased a shopping center on N. Cannon Blvd to house the Rowan-Cabarrus Community College cosmetology facility. Now that renovations for the anchor building are nearly complete, the City engaged a broker to market the remaining commercial spaces to attract new tenants.

Chip Mark with Mark Real Estate Advisors has brought a new lease to the City for approval: Five-year lease of 443 N. Cannon Blvd to Larissa Olivares, Leslie Olivares, and Lizet Candiani for an event and meeting space.

Mr. Mark has reviewed the tenants' business history and feels this would bring positive traffic to the shopping center.

D. Fiscal Considerations

The lease will generate approximately \$26,350 in the first year in revenue to the City as owners of the Shopping Center (with annual increases). However, the space needs to be demised and the neighboring space needs to be prepared for future tenancy. The cost estimate was not completed in time for the agenda and will be disclosed Monday night.

E. Policy Issues

None

F. Legal Issues

None

G. Alternative Courses of Action and Recommendation
--

1. **Motion to authorize the City Manager to execute lease for 443 N. Cannon Blvd with minor changes as needed. (Recommended)**
2. Do not authorize the execution of the lease.
3. Table action to a future meeting.

ATTACHMENTS:

File Name

- ❏ 443_N_Cannon_Lease.pdf
- ❏ Public_Notice_(443_N_Cannon_Blvd)_7-9-2018.pdf



COLLEGE STATION LEASE AGREEMENT

Between

City of Kannapolis



and

Lizet Candiani, Larissa Olivares, Leslie Olivares

Tenant  
AO

INDEX TO COLLEGE STATION LEASE

ARTICLE I.	<u>Definitions and Certain Basic Provisions</u>
ARTICLE II.	<u>Granting Clause</u>
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ADDENDUM A	Hazardous Materials
EXHIBIT "A"	Shopping Center Site Plan Showing Premises
EXHIBIT "B"	Legal Description of Shopping Center
EXHIBIT "C"	Description of Landlord's and Tenant's Work
EXHIBIT "D"	Shopping Center Rules and Regulations
EXHIBIT "E"	Definition of Common Area Costs
EXHIBIT "F"	Landlord's Sign Criteria

Tenant  

THE STATE OF NORTH CAROLINA

COUNTY OF CABARRUS

This lease, entered into this _____ day of _____, 20____, by and between the Landlord and the Tenant hereinafter named.

ARTICLE 1. Definitions and Certain Basic Provisions.

1.1

- a) "Landlord": City of Kannapolis
- b) Landlord's Address: 401 Laureate Way, Kannapolis NC 28081
- c) "Tenant": Lizet Candiani, Larissa Olivares, Leslie Olivares
- d) Tenant's mailing address: 955 East 13th Street Kannapolis, NC 28083
- e) Tenant's trade name:
- f) Tenant's address in Shopping Center: Suite 443
- g) "Premises": approximately 3,100 square feet in Building (computed from measurements to the exterior of outside walls of the building and to the center of interior walls), such premises being shown and outlined within the cross-hatched area of the site plan attached hereto as Exhibit A, and being part of the Shopping Center situated upon the property described in Exhibit B attached hereto. "Shopping Center" shall refer to the property described in Exhibit B, together with such additions and other changes as Landlord may from time to time designate as included within the Shopping Center.
- h) Lease term: Commencing on the "Commencement Date" as defined in Section 3.2 and ending 60 months thereafter except that in the event the Commencement Date is a date other than the first day of a calendar month, said term shall extend for said number of months in addition to the remainder of the calendar month following the Commencement date.
- i) Estimated Completion Date: Approximately three (3) weeks from full lease execution and approval by the city of Kannapolis
- j) Permitted Use: To provide meeting space for rent and related food and beverage services
- k) Minimum Guaranteed Rental: per month (yr. 1 \$2,195.83, yr. 2 \$2,247.50, yr. 3 \$2,300.20, yr. 4 \$2,353.95, yr. 5 \$2,408.78)
- l) Initial Common Area Maintenance Charge per month under Section 5.3: \$193.75 per month (\$.75) per square foot per year).
- m) Initial Insurance Escrow Payment per month under Section 12.3: \$64.58 per month (\$.25 per square foot per year).
- n) Initial Tax Escrow Payment per month under Section 17.2: \$0 per month (\$.00 per square foot per year).
- o) Security Deposit: \$2,454.16 due at lease execution

Tenant

1.2 The sum of:

	<u>yr. 1</u>	<u>yr. 2</u>	<u>yr. 3</u>	<u>yr. 4</u>	<u>yr. 5</u>
Initial Minimum Guaranteed Rental; and	\$2,195.83	\$2,247.50	\$2,300.20	\$2,353.95	\$2,408.78
Initial Common Area Maintenance Charge; and	\$193.75	\$193.75	\$193.75	\$193.75	\$193.75
Initial Insurance Escrow Payment; and	\$64.58	\$64.58	\$64.58	\$64.58	\$64.58
Initial Tax Escrow Payment; and	N/A	N/A	N/A	N/A	N/A
Initial Capital Reserve Payment; and					
Initial Monthly Payment Total	\$2,454.16	\$2,505.83	\$2,558.30	\$2,612.28	\$2,666.57

1.3 Each of the foregoing definitions and basic provisions shall be construed in conjunction with and limited by references thereto in other provisions of this lease.

ARTICLE II. Granting Clause. 2.1 In consideration of the obligation of Tenant to pay rent and other charges as herein provided and in consideration of the other terms, covenants and conditions hereof, Landlord hereby demises and leases to Tenant, and Tenant hereby takes from Landlord, the Premises TO HAVE AND TO HOLD the Premises of the lease term, all upon the terms and conditions set forth in this lease.

ARTICLE III. Construction and Acceptance of Demised Premises. 3.1 Landlord shall proceed to construct improvements upon the Premises in compliance with the "Description of Landlord's Work" in Exhibit C attached hereto, if any, with such minor variations as Landlord may deem advisable, and tender the Premises to Tenant. However, Tenant acknowledges that Landlord is relying on a third party to construct the Shell Building and Landlord's work will not commence until such third party delivers a Shell building to Landlord. Landlord may terminate this Lease with written notice to Tenant if the Shell building is not delivered to Landlord by the third party within eighteen (18) months of the execution date of this Lease. The Premises shall be deemed to be "Ready for Occupancy" when Landlord certifies in writing to Tenant that Landlord has substantially completed Landlord's Work, as described in Exhibit C. If the Premises are not Ready for Occupancy prior to the Estimated Completion Date, Landlord shall not be deemed to be in default hereunder or otherwise liable in damages to Tenant, nor shall the term of this lease be affected, except that if for any reason the Premises are not Ready for Occupancy within eighteen (18) months following the Estimated Completion Date, Tenant may at its option terminate this lease by written notice to Landlord delivered within thirty (30) days following the expiration of such eighteen (18) month period, in which event neither party shall have any further liabilities or obligations hereunder, except the Landlord shall repay to Tenant any prepaid rent or security deposit. When the Premises are Ready for Occupancy, Tenant agrees to accept possession thereof and to proceed with due diligence to perform the work described under "Description of Tenant's Work" in Exhibit C, all of such work to be performed in compliance with Exhibit C, and to install its fixtures, furniture and equipment. Any Tenant Work involving venting, opening, sealing, waterproofing or any altering of the roof shall be performed by Landlord's roofing contractor at Tenant's expense. Tenant shall provide Landlord with a certificate from Landlord's roofing contractor that all of Tenant's work involving venting, opening, sealing, waterproofing or in any way altering the roof has been performed in compliance with Exhibit C. Tenant hereby holds Landlord harmless from any damage to the Premises, resulting, directly or indirectly, from Tenant's venting, opening, sealing, waterproofing or other altering of the roof unless such a certificate from Landlord's roofing contractor has been delivered to Landlord before the date of any such damage. In the event of any dispute as to work performed or required to be performed by Landlord or Tenant, the certificate of Landlord's architect or engineer shall be conclusive. By initiating Tenant Work in the Premises, Tenant shall be deemed to have accepted the same and to have acknowledged that the same fully comply with Landlord's covenants and obligations hereunder. Tenant further agrees that, if requested by Landlord, Tenant will furnish Landlord with a written statement that Tenant has accepted the Premises and that Landlord has

Tenant

fully complied with Landlord's covenants and obligations hereunder. Tenant agrees to furnish to Landlord a Certificate of Occupancy from applicable local authorities on or before the Commencement Date.

3.2 Tenant agrees to open the Premises to the public on August 15, 2018 or earlier. The Commencement Date of this lease shall be on August 15, 2018 or earlier. Occupancy of the Premises by Tenant prior to the Commencement Date shall be subjected to all of the terms and provisions of this lease excepting only those requiring the payment of rent. Landlord and Tenant each agree that at the request of either they will, following the Commencement Date, execute and deliver a recordable short form lease containing the basic provisions of this lease, acknowledging that Tenant has accepted possession, and reciting the exact Commencement Date and termination date of this lease.

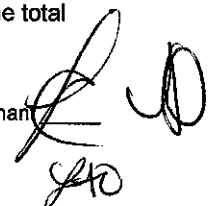
ARTICLE IV. Monthly Payment. 4.1. Monthly Payment, as specified in Section 1.2 shall accrue hereunder from the Commencement Date, and shall be payable at the place designated for the delivery of notices to Landlord at the time of payment, without demand and without set-off or deduction, for any reason whatsoever.

4.2 The first Minimum Guaranteed Rental payment shall be due and payable on or before the Commencement Date, and subsequent Minimum Guaranteed Rental payments shall be due and payable on or before the first day of each succeeding calendar month during the lease term; provided that if the Commencement Date is a date other than the first day of a calendar month, there shall be due and payable on or before such date as Minimum Guaranteed Rental for the balance of such calendar month a sum equal to that proportion of the rent specified for the first full calendar month as herein provided, which the number of days from the Commencement Date to the end of the calendar month during which the Commencement Date shall fall bars to the total number of days in such month.

ARTICLE V. Common Area. 5.1 The "Common Area" is the part of the Shopping Center designated by Landlord from time to time for the common use of all tenants, including among other facilities, parking area (both surface and structure/garage parking spaces), sidewalks, landscaping, curbs, loading areas, private streets and alleys, lighting facilities, hallways, malls, restrooms, and other areas and improvements provided by Landlord for the common use of all tenants, all of which shall be subject to Landlord's sole management and control and shall be operated and maintained in such manner as Landlord, in its discretion shall determine. Landlord reserves the right to change from time to time to the dimensions and location of the Common Area and to construct additional buildings or additional stories on existing buildings or other improvements in the Shopping Center, and to eliminate buildings from the plan. Tenant and its employees, customers, subtenants, licensees and concessionaires shall have the non-exclusive right and license to use the Common Area as constituted from time to time, such use to be permitted by Landlord to be in common with Landlord, other tenants of the Shopping Center and other persons permitted by Landlord to use the same. Tenant and Tenant's agents, employees and invitees will comply fully with all requirements of the rules and regulations which are attached hereto as Exhibit D, and made a part hereof as though fully set out herein. Landlord shall at all times have the right to change such rules and regulations or to promulgate other rules and regulations in such manner as may be deemed advisable for safety, care or cleanliness of the Shopping Center and for preservation of good order therein, all of which rules and regulations, changes and amendments will be forwarded to Tenant in writing and shall be carried out and observed by Tenant. Tenant shall further be responsible for the compliance with such rules and regulations by the employees, servants, agents, visitors and invitees of Tenant. Landlord may be temporarily close any part of the Common Area for such periods of time as may be necessary to prevent the public from obtaining perspective rights or to make repairs or alterations.

5.2 Landlord shall maintain as part of the Common Area the hard surface parking area within the Shopping Center as shown on Exhibit B or in reasonable proximity thereto, it being expressly agreed, however, that in addition to the rights reserved to Landlord in Section 5.1 above, Landlord may from time to time substitute for any parking area shown on Exhibit A other areas or multi-level parking facilities reasonably accessible to the tenants of the Shopping Center.

5.3 Tenant agrees to pay as an additional charge each month its proportionate share of the cost of operation and maintenance of the Common Area (including, among other costs, those listed on Exhibit E which may be incurred by Landlord in its discretion, and including an allowance in the amount of fifteen percent (15%) of the total

Tenant 

Common Area costs for Landlord's overhead and administrative costs. The proportionate share to be paid by Tenant of the cost of operation and maintenance of the Common Area shall be computed on the ratio that the total area of the Premises bears to the total number of square feet of leasable space within the Shopping Center. Such proportionate share shall be paid by Tenant in monthly installments in such amounts as are estimated and billed by Landlord at the beginning of each twelve (12) month period commencing and ending on dates designated by Landlord, each installment being due on the first day of each calendar month. If at any time during such twelve (12) month period it shall appear that Landlord has underestimated Tenant's proportionate share of Common Area costs for such twelve (12) month period, Landlord may re-estimate Tenant's proportionate share of Common Area costs and may bill Tenant for any deficiency which may have accrued during such twelve (12) month period and thereafter the monthly installment payable by Tenant shall also be adjusted. Within one hundred twenty (120) days or such reasonable time thereafter (in Landlord's determination) after the end of each such twelve (12) month period, Landlord shall deliver to Tenant a statement of Common Area costs for such twelve (12) month period and the monthly installments paid or payable shall be adjusted between Landlord and Tenant, and each party hereby agrees that Tenant shall pay Landlord or Landlord shall credit Tenant's account (or, if such adjustment is at the end of the term, pay Tenant), within thirty (30) days of receipt of such statement, the amount of any excess or deficiency in Tenant's proportionate share of Common Area costs paid by Tenant to Landlord during such twelve (12) month period. Failure of Landlord to provide the statement called for hereunder shall not relive Tenant from its obligations hereunder. The initial Common Area Maintenance Charge subject to adjustment as provided herein, shall be that amount set out in Section 1.1 (l).

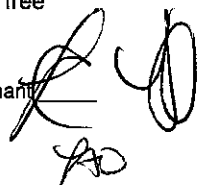
ARTICLE VI. Use and Care of Premises.

6.1 The Premises may be used only for the purpose or purposes specified in Section 1.1 (j) above, and for no other purpose or purposes without the prior written consent of Landlord. Tenant shall use in the transaction of business in the Premises the trade name specified in Section 1.1 (e) above and no other trade name without the prior written consent of Landlord. Tenant shall not at any time leave the Premises vacant, but shall in good faith continuously throughout the term of this lease conduct and carry on in the entire Premises the type of business for which the Premises are leased. Tenant shall operate its business with a complete line of full selection and sufficient stock of first class merchandise of current style and type, attractive displays and in an efficient, high class and reputable manner so as to produce the maximum amount of sales from the Premises, and shall, except during reasonable periods for repairing, cleaning and decorating keep the Premises open to the public for business with adequate and competent personnel in attendance on all days and during all hours (including evenings) established by Landlord from time to time as store hours for the Shopping Center, and during any other days and hours extent Tenant may be prohibited from being open for business by applicable law, ordinance or government regulation.

6.2 Tenant shall not, without Landlord's prior written consent, keep anything within the Premises for any purpose which increases the insurance premium cost of invalidates any insurance policy carried on the Premises or other part of the Shopping Center. Tenant shall pay as additional rental, upon demand of Landlord, any such increased premium cost due to Tenant's use or occupation of the Premises. All property kept, stored or maintained within the Premises by Tenant shall be at Tenant's sole risk.

6.3 Tenant shall not conduct within the Premises any fire, auction or bankruptcy sales or operate within the Premises a "Wholesale" or "factory outlet" store, a cooperative store or a "second hand" store, a "surplus" store or a store commonly referred to as a "discount house". Tenant shall not (i) advertise that it sells products or services at "discount", "cut-price", or "cut-rate" prices, (ii) permit any objectionable or unpleasant odors to emanate from the Premises, (iii) place or permit any radio, television, loudspeaker or amplifier on the roof or outside the Premises or where the same can be seen or heard from outside the building or in the Common Area, (iv) place an antenna, awning or other projection on the exterior of the Premises; (v) distribute leaflets or other solicit advertising material in the Common Area; (vi) take any other action which in the exclusive judgement of Landlord would constitute a nuisance or would disturb or endanger other tenants of the Shopping Center or unreasonably interfere with their use of their respective premises, (vii) do anything which would tend to injure the reputation of the Shopping Center.

6.4 Tenant will take good care of the Premises and keep the same free from waste at all times. Tenant shall keep the Premises and sidewalks, service-ways and loading areas adjacent to the Premises neat, clean and free

Tenant 

from dirt, rubbish, insects and pests at all times, and shall store all trash and garbage within the Premises, arranging for the regular pickup of such trash and garbage at Tenant's expense. Tenant will store all trash and garbage within the area designated by Landlord for such trash pickup and removal and only in receptacles of the size, design and color from time to time prescribed by Landlord. Receiving and delivery of goods and merchandise and removal of garbage and trash shall be made only in the manner and areas from time to time prescribed by Landlord. Landlord may, at its sole option, arrange for collection of all trash and garbage and, should Landlord exercise such election, Tenant's proportionate share of the cost thereof will be part of its Common Area Maintenance Charge. Tenant shall not operate an incinerator or burn trash or garbage within the Shopping Center.

6.5 Tenant shall maintain all display windows in a neat, attractive condition, and shall keep all display windows and exterior electric signs in front of the Premises lighted from dusk until 10:00 PM every day, including Sundays and holidays.

6.6 Tenant shall include the address and identity of its business activities in the Premises in all advertisements made by Tenant in which the address and identity of any similar local business activity of Tenant is mentioned.



6.7 Tenant shall procure, at its sole expense, any permits and licenses required for the transaction of business in the Premises and otherwise comply with all applicable laws, ordinances and governmental regulations.

ARTICLE VII. Maintenance and Repair of Premises. 7.1 Landlord shall keep the foundation, the exterior walls (except store fronts, plate glass windows, doors, door closure devices, window and door frames, molding, locks and hardware and painting or other treatment of interior and exterior walls) and roof of the Premises in good repair, ordinary wear and tear excepted. Any repairs required to be made by Landlord hereunder which are occasioned by the act or negligence of Tenant, its agents, employees, subtenants, licensees and concessionaires, shall be paid for by Tenant upon demand to the extent not covered by net insurance proceeds paid to Landlord therefore. In the event that the Premises should become in need of repairs required to be made by Landlord hereunder, Tenant shall give immediate written notice thereof to Landlord and Landlord shall not be responsible in any way for failure to make any such repairs until a reasonable time shall have elapsed after delivery of such written notice. Landlord's obligation hereunder is limited to repairs specified in this Section 7.1 only, and Landlord shall have no liability for any damages or injury arising out of any condition or occurrence causing a need for such repairs.

7.2 Tenant shall furnish, maintain and replace all electric light bulbs, tubes and tube casings.

7.3 Tenant shall keep the Premises in good, clean condition and shall, at its sole cost and expense, make all needed repairs and replacements, including replacement of cracked or broken glass, and shall keep all plumbing units, pipes and connections free from obstruction and protected against ice and freezing. If any repairs, replacements or maintenance required on the part of Tenant hereunder are not accomplished within ten (10) days after written notice to Tenant from Landlord, Landlord may, at its option, perform such repairs, replacements or maintenance without liability to Tenant for any loss or damage which may result to its stock or business by reasons thereof, and Tenant shall pay to Landlord immediately upon demand as additional rental hereunder the cost of such repairs, replacements or maintenance plus (15%) of such cost. At the expiration of this lease, Tenant shall surrender the Premises in good condition, reasonable wear and tear and loss by fire or other casualty accepted and shall surrender all keys for the Premises to Landlord and shall inform Landlord of all combinations on locks, safes and vaults, if any, in the Premises. Upon move out by Tenant, should the Premises require any repairs which are the responsibility of Tenant hereunder, Landlord shall have the right to make such repairs at Tenant's sole cost.

7.4 Tenant acknowledges that the air conditioning and heating equipment (HVAC) is in proper working condition upon execution of this Lease. Repair and maintenance of the air conditioning and heating equipment shall be solely the responsibility of Tenant. Throughout the entire term of this lease, Tenant shall at its own costs and expense, enter into a regularly scheduled preventative maintenance/service contract with a maintenance contractor for servicing all hot water, heating and air conditioning systems and equipment within the Premises. The maintenance contractor and the contract must be approved by Landlord. The service contract must include all services suggested

Tenant 


by the equipment manufacturer within the operation/maintenance manual and must become effective (and a copy thereof delivered to Landlord) with thirty (30) days of the date Tenant takes possession of the Premises.

ARTICLE VIII Alterations. 8.1 Tenant shall not make any alterations, additions or improvements to the Premises without the prior written consent of Landlord, except for the installation of unattached, moveable trade fixtures which may be installed without drilling or cutting or otherwise defacing the Premises. All alterations, additions, improvements and fixtures (other than unattached, moveable trade fixtures) which may be made or installed by either party upon the Premises shall remain upon and be surrendered with the Premises and become the property of Landlord at the termination of this lease, unless Landlord requests their removal in which event Tenant shall remove the same and restore the Premises to their original condition at Tenant's expense. Any linoleum, carpeting or other floor covering which may be cemented or otherwise affixed to the floor of the Premises is a permanent fixture and shall become the property of Landlord without credit or compensation to Tenant.

8.2 All construction work done by Tenant within the Premises, including without limitation Tenant's Work referred to in Section 3.1, shall be performed in a good and workmanlike manner, in compliance with all governmental requirements, and the requirements of any contract or deed of trust to which the Landlord may be a party and in such manner as to cause a minimum of interference with other construction in progress and with the transaction of business in the Shopping Center. Tenant agrees to indemnify Landlord and hold it harmless against any loss, liability or damage resulting from such work, and prior to commencement of any such work Tenant shall, if requested by Landlord, furnish bond or other security satisfactory to Landlord against any such loss, liability or damage.

8.3 Tenant agrees that all venting, opening, sealing, waterproofing or any altering of the roof shall be performed by Landlord's roofing contractor at Tenant's expense and that when completed Tenant shall furnish to Landlord a certificate from Landlord's roofing contractor that all such alterations approved by Landlord have been completed in accordance with the plans and specifications therefore approved by Landlord. Tenant agrees that all improvements, alterations, repairs or other work performed upon the Premises under any provisions of this lease shall be performed under the direction of a general contractor approved by Landlord. Tenant further agrees that plans and drawings for installation or revision of mechanical, electrical or plumbing systems shall be designed by an engineer approved by Landlord, such design work to be done at Tenant's expense.

ARTICLE IX. Landlord's Right of Access; Use of Roof. 9.1 Landlord shall have the right to enter upon the Premises at any reasonable time for the purpose of inspecting the same, or of making repairs to the Premises, or of making repairs, alterations or additions to adjacent premises, or of showing the Premises to prospective purchasers, lessees or lenders.

9.2 Use of the roof above the Premises is reserved to Landlord. Tenant shall not be allowed on the roof without Landlord's prior written consent.

ARTICLE X. Signs; Store Fronts. 10.1 Tenant shall not, without Landlord's prior written consent (a) make any changes to or paint the store front; or (b) install any exterior lighting, decorations or paintings or (c) erect or install any signs, banners, window or door lettering, placards, decorations or advertising media of any type which can be viewed from the exterior of the Premises, excepting only dignified displays of customary type for its display window. All signs, decorations and advertising media shall conform in all respects to Landlord's sign criteria attached hereto as Exhibit F. All signs shall be kept in good conditions and in proper operating order at all times. Landlord reserves the right to designate a uniform type of signs for the Shopping Center to be installed and paid for by Tenant.

10.2 Tenant agrees to have erected and/or installed and fully operative, at Tenant's expense, on or before the Commencement Date of this lease all signs in accordance with Landlord's sign criteria. The Tenant, upon vacation of the Premises, or the removal or alteration of its sign for any reason, shall be responsible for the repair, painting, and/or replacement of the building fascia surface where signs are attached.

Tenant 


10.3 Tenant shall pay its prorated cost of electricity if Tenant maintains a sign on Landlord's pylon or monument sign (if any). Furthermore, Tenant waives any liability on the part of Landlord arising out of Tenant's use of the pylon or monument sign and agrees to hold Landlord harmless from and against any liability arising out of Tenant's use of such sign.

10.4 During the period that is six (6) months prior to the end of the lease term and at any time Tenant is in default hereunder and such default has remained uncured for at least thirty (30) days, Landlord shall have the right to erect on the Premises signs indicating that the Premises are available for lease.

ARTICLE XI. Utilities. 11.1 Landlord agrees to cause to be provided and maintained the necessary mains, conduits and other facilities necessary to supply water, electricity, gas (if applicable), telephone service and sewerage service to the Premises, subject to any special provisions contained in Exhibit C. Landlord shall not be responsible for providing any meters or other devices for the measurement of utilities supplied to the Premises. Tenant shall at Tenant's sole cost and expense make application and arrange for the installation of all such meters or other devices.

11.2 Tenant shall promptly pay all charges for electricity, water, gas, telephone service, sewage service, internet and other utilities furnished to the Premises and shall promptly pay any maintenance charges therefore Landlord may, if it so elects, furnish one or more utility services to Tenant, and in such event Tenant shall purchase such services as are tendered by Landlord, and shall pay on demand as additional retail the rates established therefore by Landlord which shall not exceed the rates which would be charged for the same services if furnished directly by the local public utility companies. Landlord may at any time discontinue furnishing any such service without obligation to Tenant other than to connect the Premises to the public utility, if any, furnishing such service.

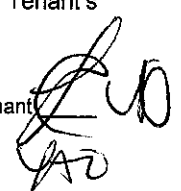
11.3 Landlord shall not be liable for any interruption or failure whatsoever in utility services and Tenant shall comply with all terms and provisions of this lease notwithstanding any such failure or interruption.

ARTICLE XII. Indemnity, Public Liability Insurance and Fire Extended Coverage Insurance.

12.1 Landlord shall not be liable to Tenant or to Tenant's employees, agents or visitors, or to any person or entity whomsoever, for injury to person or damage to or loss of property on or about the Premises or the Common Area caused by the negligence or misconduct of Tenant, its officers, partners, employees, agents, subtenants, licensees, concessionaires, visitors or any other person entering the Shopping Center under the express or implied invitation of Tenant, or arising out of the use of the Premises by Tenant and the conduct of its business therein, ' or arising out of any breach or default by Tenant in the performance of its obligations hereunder or resulting from any other cause except Landlord's negligence, and Tenant hereby agrees to indemnify Landlord (including without limitation the trustee and beneficiaries if Landlord is a trust), Landlord's agents and employees and hold them harmless from any loss, expense, claims or actions arising out of such damage or injury (including without limitation any court costs and attorneys' fees). The provisions of this section shall survive the termination of this lease with respect to any claims or liability occurring prior to such termination.

12.2 Tenant shall procure and maintain throughout the term of this lease, at its sole cost and expense, (i) a policy of public liability insurance insuring both Landlord and Tenant against all claims demands or actions arising out of or in connection with Tenant's use or occupancy of the Premises, or by the condition of the Premises, the limits of such policy or policies to be in an amount not less than \$500,000 in respect of injuries to or death of any one person, and in an amount not less than \$1,000,000 in respect of any one occurrence or disaster, and in an amount not less than \$100,000 in respect of property damaged or destroyed, (ii) fire and extended coverage insurance covering all alterations, additions, partitions and improvements made or placed by Tenant in the Premises, and (iii) insurance covering glass breakage in the Premises, all such policies to be written by insurance companies satisfactory to Landlord. Tenant shall obtain a written obligation on the part of each insurance company to notify Landlord at least ten (10) days prior to cancellation of such insurance. Such policies or duly executed certificates of insurance shall be promptly delivered to Landlord and renewal thereof as required shall be delivered to Landlord at least thirty (30) days prior to the expiration of the respective policy terms and shall name the Landlord as additional insured. Tenant's

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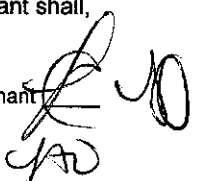
failure to comply with the foregoing requirements relating to insurance shall constitute an event of default hereunder. In addition to the remedies provided in Article XVIII of this lease, Landlord may, but is not obligated to, obtain such insurance and Tenant shall pay to Landlord upon demand as additional rental the premium cost thereof plus interest thereon at the rate equal to the lesser of the highest rate permitted by law or eighteen percent (18%) per annum from the date of payment by Landlord until repaid by Tenant.

12.3 Tenant agrees to pay its proportionate share of Landlord's cost of carrying fire and extended coverage insurance and liability insurance in such amounts as Landlord deems necessary or desirable Landlord ("Insurance") on the Shopping Center. During each month of the lease term, Tenant shall make a monthly escrow deposit with Landlord equal to 1/12 of its proportionate share of the Insurance on the Shopping Center which will be due and payable for that particular year. Tenant authorizes Landlord to use the funds deposited with Landlord under this section to pay the cost of Insurance. Each Insurance Escrow Payment shall be due and payable at the same time and manner of the payment of Minimum Guaranteed Rental as provided herein. The amount of the initial monthly Insurance Escrow Payment will be that amount set out in Section 1.1(m) above. The initial monthly Insurance Escrow Payment is based upon Tenant's proportionate share of the estimated Insurance on the Shopping Center for the year in question, and the monthly Insurance Escrow Payment is subject to increase or decrease as determined by Landlord to reflect and accurate monthly escrow of Tenant's estimate proportionate share of the Insurance. The Insurance Escrow Payment account of Tenant shall be reconciled annually. If Tenant's total Insurance Escrow Payment are less than Tenant's actual proportionate share of the Insurance on the Shopping Center, Tenant shall pay to Landlord upon demand the difference; if the total Insurance Escrow payments of Tenant are more than Tenant's actual proportionate share of the Insurance on the Shopping Center, Landlord shall retain such excess and credit it to Tenant's Insurance Escrow Payment account. Tenant's proportionate share of the cost of Insurance on the Shopping Center shall be computed by multiplying the cost of Insurance by a fraction, the numerator of which shall be the number of square feet of floor space in the Premises and the denominator of which shall be the number of square feet of all stories in the Shopping Center that are leasable on January 1, of the applicable year.

ARTICLE XIII. Non-Liability for Certain Damages 13.1 Landlord and Landlord's agents and employees shall not be liable to Tenant of any other person or entity whomsoever for any injury to person or damage to property caused by the Premises or other portions of the Shopping Center becoming out of repair or damaged or by defect in or failure of equipment, pipes or wiring, or broken glass, or by the backing up of drains or by glass, water, steam, electricity or oil leaking, escaping or flowing into the Premises. Landlord shall not be liable to Tenant or any other person or entity whomsoever for any loss or damage that may be occasioned by or through the acts or omissions of other tenants of the Shopping Center or of any other person or entities whomsoever, excepting only duly authorized employees and agents of Landlord. With respect to latent or patent defects in the Premises or in the building of which they form a part, a Landlord's liability shall not extend beyond one (1) year from the date of substantial completion of construction of the Premises, whether or not such defects are discovered within such one-year period.

ARTICLE XIV. Damage by Casualty. 14.1 Tenant shall give immediate written notice to Landlord of any damage caused to the Premises by fire or other casualty.

14.2 In the event that the Premises shall be damaged or destroyed by fire or other casualty insurable under standard fire and extended coverage insurance and Landlord does not elect to terminate this lease as hereinafter provided, Landlord shall proceed with reasonable diligence and at its sole cost and expense to rebuild and rebuild and repair the Premises. If the building in which the Premises are located shall (i) be destroyed or substantially damaged by a casualty not covered by Landlord's insurance; or (ii) be destroyed or rendered untenable to an extent of fifty percent (50%) of the first floor area by a casualty covered by Landlord's insurance; or (iii) be damaged to such extent that the remaining term of this lease is not sufficient to amortize the cost of reconstruction, then Landlord may elect to either terminate this lease as hereinafter provide or to proceed to rebuild with reasonable diligence and at its sole cost and expense to rebuild and repair the Premises. Should Landlord elect to terminate this lease it shall give written notice of such election to Tenant within ninety (90) days after the occurrence of such casualty. If Landlord should not elect to terminate this lease, Landlord shall proceed with reasonable diligence and at its sole cost and expense to rebuild and repair the Premises. In the event of any damage or destruction to the Premises, Tenant shall,

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upon notice from Landlord, forthwith remove, at Tenant's sole cost and expense, such portion or all of Tenant's shelves, bins, machinery and other trade fixtures and all other property belonging to Tenant or Tenant's licensees from such portion or all of the Premises as Landlord shall request.

14.3 Landlord's obligation to rebuild and repair under this Article XIV shall in any event be limited to restoring Landlord's Work as described in Exhibit C to substantially the condition in which the same existed prior to the casualty, and all be further limited to the extent of the insurance proceeds available to Landlord for such restoration, and Tenant agrees that promptly after completion of such work by Landlord, it will proceed with reasonable diligence and at its sole cost and expense to rebuild, repair and restore its signs, fixtures and equipment and other items of Tenant's Work as described in Exhibit C.

14.4 Tenant agrees that during any period of reconstruction or repair of the Premises it will continue the operation of its business within the Premises to the extent practicable. During the period from the occurrence of the casualty until Landlord's repairs are completed, the Minimum Guaranteed Rental shall be reduced to such extent as may be fair and reasonable under the circumstances.

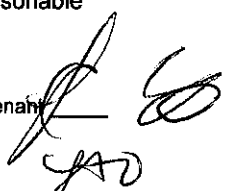
14.5 Notwithstanding anything herein to the contrary, in the event the holder of any indebtedness, secured by a mortgage or deed of trust covering the Premises requires that the insurance proceeds be applied to such indebtedness then Landlord shall have the right to terminate this lease by delivering written notice of termination to Tenant within fifteen (15) days after such requirement is made by any such holder, whereupon all rights and obligations hereunder shall cease and terminate.

14.6 Each of Landlord and Tenant hereby releases the other from any and all liability or responsibility to the other or anyone claiming through or under them by way of subrogation or otherwise from any loss or damage to property. Caused by fire or any other perils insured in policies of insurance covering such property, even if such loss or other perils insured in policies of insurance covering such property, even if such loss or damage shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible, including any other tenants or occupants of the Shopping Center; provided, however, that this release shall be applicable and in force and effect only to the extent that such release shall be lawful at that time and in any event only with respect to loss or damage occurring during such times as the releasor's policies shall contain a clause or endorsement to the effect that any such release shall not adversely affect or impair said policies or prejudice the right of the releasor to recover thereunder and then only to the extent of the insurance proceeds payable under such policies. Each of Landlord and Tenant agrees that it will request its insurance carriers to include in its policies such a clause or endorsement. If extra cost shall be charged therefore, each party shall advise the other thereof and of the amount of the extra cost, and the other party fails to pay such extra costs, the release provisions of this section shall be inoperative against such other party to the extent necessary to avoid invalidation of such releasor's insurance.

ARTICLE XV. Eminent Domain. 15.1 If more than twenty percent (20%) of the floor area of the Premises should be taken for any public or quasi-public use under any governmental law, ordinance or regulation under any governmental law, ordinance or regulation or by right of eminent domain or by private purchase in lieu thereof this lease shall terminate and the rent shall be abated during the unexpired portion of this lease, effective on the date physical possession is taken by the condemning authority.

15.2 If less than twenty percent (20%) of the floor area of the Premises should be taken as aforesaid, this lease shall not terminate; however, the Minimum Guaranteed Rental payable hereunder during the unexpired portion of this lease shall be reduced in proportion to the area taken, effective on the date physical possession is taken by the condemning authority. Following such partial taking, and receipt of condemnation proceeds. Landlord shall make all necessary repairs or alterations within the scope of Landlord's Work as described in Exhibit C necessary to make the Premises an architectural whole.

15.3 If any part of the Common Area shall be taken as aforesaid, this lease shall not terminate nor shall the rental payable hereunder be reduced, except that either Landlord or Tenant may terminate this lease if the area of the Common Area remaining following such taking plus any additional parking area provided by Landlord in reasonable

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proximity to the shopping center shall be less than seventy percent (70%) of the area of the Common Area immediately prior to the taking. Any election to terminate this lease in accordance with this provision shall be evidenced by written notice of termination delivered to the other party within thirty (30) days after the date physical possession is taken by the condemning authority.

15.4 All compensation awarded for any taking (or the proceeds of private sale in lieu thereof) of the Premises or Common Area shall be the property of Landlord and Tenant hereby assigns its interest in an such award to Landlord; provided, however, Landlord shall have no interest in any award made to Tenant for loss of business or for the taking of Tenant's fixtures and other property if a separate award for such items is made to Tenant. Tenant shall in no event be entitled to any award for the value of the unexpired term of this lease.

ARTICLE XVI. Assignment and Subletting. 16.1 Tenant shall not assign or in any manner transfer this lease or any estate or interest therein, or sublet the Premises or any part thereof, or grant any license, concession or other right to occupy any portion of the Premises without the prior written consent of Landlord. All cash or other proceeds of any assignment, such proceeds as exceed the rentals called for hereunder in the case of a subletting and all cash or other proceeds of any other transfer of Tenant's interest in this lease shall be paid to Landlord as received by Tenant, whether such assignment, subletting or other transfer is contented to by Landlord or not, unless Landlord agrees to the contrary in writing, and Tenant hereby assigns all rights it might have or ever acquire in any such proceeds to Landlord. Consent by Landlord to one or more assignments or sublettings shall not operate as a waiver of Landlord's rights as to any subsequent assignments and sublettings. Notwithstanding any assignment or subletting, Tenant and any guarantor of Tenant's obligations under this lease shall at all times remain fully and primarily responsible and liable for the payment of the rental herein specified and for compliance with all of its other obligations under this lease. Upon any subletting or assignment by Tenant in accordance with the terms hereof, any renewal options, expansion options, right of first refusal and/or exclusive use provisions shall become null and void.

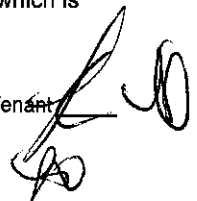
16.2 Tenant shall give Landlord at least sixty (60) days advance written notice of any proposed assignment or subletting, such notice to be accompanied by a copy of the proposed sublease or assignment. Landlord shall have the right to terminate this lease effective as of the proposed effective date of the assignment or subletting by giving Tenant written notice thereof within thirty (30) days after Landlord's receipt of said notice from Tenant. Should Landlord not elect to so terminate this lease in connection with any proposed subletting or assignment, Landlord shall continue to have the right to disapprove same.

16.3 Tenant shall not mortgage, pledge or otherwise encumber its interest in this lease or in the Premises.

16.4 In the event of the transfer and assignment by Landlord of its interest in this lease and in the building containing the Premises to a person expressly assuming Landlord's obligations under this lease, Landlord shall hereby be released from any further obligations hereunder, and Tenant agrees to look solely to such successor in interest of the Landlord for performance of such obligations. Any security given by Tenant to secure performance of Tenant's obligations hereunder, may be assigned and transferred by Landlord to such successor in interest, and Landlord shall thereby be discharged of any further obligation relating thereto.

ARTICLE XVII. Property Taxes. 17.1 Tenant shall be liable for all taxes levied against personal property and trade fixtures placed by tenant in the Premises. If any such taxes are levied against Landlord or Landlord's property and if Landlord elects to pay the same or if the assessed value of Landlord's property is increased by inclusion of personal and trade fixtures placed by Tenant in the Premises and Landlord elects to pay the taxes based on such increase, Tenant shall pay to Landlord upon demand that part of such taxes for which Tenant is primarily liable hereunder.

17.2 Tenant agrees to pay its proportionate share of all taxes, assessments and governmental charges of any kind and nature whatsoever levied or assessed against the Shopping Center, any other charges, taxes and/or impositions now in existence or hereafter imposed by any governmental authority based upon the privilege of renting the Premises or upon the amount of rent collected therefore and any tax, fee, levy, assessment or charge which is

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imposed as the result of a transfer, either partial or total, of Landlord's interest in the Premises or which is added to a tax or charge hereinbefore included within the definition of real property tax by reason of such transfer (all of the foregoing being hereinafter referred to as the "Taxes"). During each month of the term of this lease, Tenant shall make a monthly escrow deposit with Landlord equal to 1/12 of its proportionate share of the Taxes on the Shopping Center which will be due and payable for that particular year. Tenant authorizes Landlord to use the funds deposited with Landlord under this Section 17.2 to pay the Taxes levied or assessed against the Shopping Center. Each Tax Escrow Payment shall be due and payable at the same time and in the same manner as the time and manner of the payment of Minimum Guaranteed Rental as provided herein. The amount of the initial monthly Tax Escrow Payment will be that amount set out in Section 1.1(n) above. The initial monthly Tax Escrow Payment is based upon Tenant's proportionate share of the estimated taxes on the Shopping Center for the year in question, and the monthly Tax Escrow Payment is subject to increase or decrease as determined by Landlord to share of the Taxes.

The Tax Escrow Payment account of Tenant shall be reconciled annually. If the Tenant's total Tax Escrow Payments are less than Tenant's actual pro rata share of the Taxes on the Shopping Center, Tenant shall pay to Landlord upon demand the difference; if the total Tax Escrow Payments of Tenant are more than Tenant's actual pro rata share of the Taxes on the Shopping Center, Landlord shall retain such excess and credit it to Tenant's Tax Escrow Payment account. Tenant's proportionate share of the Taxes on the Shopping Center shall be computed by multiplying the Taxes by a fraction, the numerator of which shall be the number of square feet of floor space in the Premises and the denominator of which shall be the number of square feet of all store in the Shopping Center that are leasable on January 1, of the applicable year.

17.3 The Landlord shall have the right to employ a tax consulting firm to attempt to assure a fair Tax burden on the Shopping Center.


17.4 Tenant may, alone or along with any other tenants of said building, at its or their sole cost and expense, in its or their own name(s) dispute and contest and Taxes by appropriate proceedings diligently conducted in good faith, but only after Tenant and all other tenants, if any, joining with Tenant in such contest have deposited with Landlord the amount so contested and unpaid, or their proportionate shares thereof as the case may be, which shall be held by Landlord without obligation for interest until the termination of the proceedings, at which the amount(s) deposited shall be applied by Landlord toward the payment of the items held valid (plus any court costs, interest, penalties and other liabilities associated with the proceedings), and Tenant's share of any excess shall be returned to Tenant. Tenant further agrees to pay to Landlord upon demand Tenant's share (as among all tenants who participate in the contest) of all court costs, interest, penalties and other liabilities relating to such proceedings. Tenant hereby indemnifies and agrees to hold Landlord harmless from and against any cost, damage or expense (including attorneys' fees) in connection with any such proceedings.

17.5 Any payment to be made pursuant to this Article XVII with respect to the real estate tax year in which this lease commences or terminates shall bear the same ratio to the payment which would be required to be made for the full tax year as that part of such tax year covered by the term of this lease bears to a full tax year.

ARTICLE XVIII. Default by Tenant and Remedies.
deemed to be events of default by Tenant under this lease:

18.1 The following events shall be

- 1.) Tenant shall fail to pay an installment of rental or any other amount payable to Landlord as herein provided and such failure shall continue for a period of ten (10) days.
- 2.) Tenant shall fail to comply with any term, provisions or covenant of this lease, other than the payment of rental of any other amount payable to Landlord and shall not cure such failure within ten (10) days after written notice thereof to Tenant.
- 3.) Tenant or any guarantor of Tenant's obligations under this lease shall become insolvent, or shall make a transfer in fraud of creditors, or shall make an assignment for the benefit of creditors.
- 4.) Tenant or any guarantor of Tenant's obligations under this lease shall file a petition under any section or chapter of the National Bankruptcy Act, as amended, or under any similar law or statute of the United States or any State thereof; or Tenant or any guarantor of Tenant's obligations under this lease shall be

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adjudged bankrupt or insolvent in proceedings filed against Tenant or any guarantor of Tenant's obligations under this lease shall be adjudged bankrupt or insolvent in proceedings filed against Tenant or any guarantor of Tenant's obligations under this lease.

- 5.) A receiver or Trustee shall be appointed for all Premises or for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations under this lease,
- 6.) Tenant shall desert or vacate any portion of the Premises.
- 7.) Tenant shall do or permit to be done anything which creates a lien upon the Premises.
- 8.) The business operated by Tenant shall be closed for failure to pay any State sales tax as required or for any other reason.

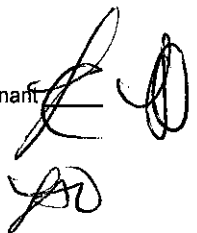
Upon the occurrence of any such event of default, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:

- A. Terminate this lease in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which Landlord may have for possession or arrearages in rental, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying said premises or any part thereof, by force if necessary, without being liable for prosecution or any claim of damages thereof.
- B. Enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying said premises or any part thereof, by force if necessary, without being liable for prosecution or any claim for damages therefore with or without having terminated the lease.
- C. Do whatever Tenant is obligated to do under the terms of this lease (and enter upon the Premises in connection therewith if necessary) without being liable for prosecution or any claim for damages therefore, and Tenant agrees to reimburse Landlord on demand for any expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this lease, and Tenant further agrees that Landlord shall not be liable for any damages resulting to the Tenant from such action.
- D. Alter all locks and other security devices at the Premises without terminating this lease.

18.2 Exercise by Landlord of any one or more remedies hereunder granted or otherwise available shall not be deemed to be an acceptance of surrender of the Premises by Tenant, whether by agreement or by operation of law, it being understood that such surrender can be effected only by the written agreement of Landlord and Tenant. No such alteration of locks or other security devices and no removal or other exercise of dominion by Landlord over the property of Tenant or others at the Premises shall be deemed unauthorized or constitute a conversion, Tenant hereby consenting, after any event of default, to the aforesaid exercise of dominion over Tenant's property within the Premises. All claims for damages by reason of such re-entry and/or repossession and/or alteration of locks or other security devices are hereby waived, as are all claims for damages by reason of any distress warrant, forcible detainer proceedings, sequestration proceedings or other legal process. Tenant agrees that any re-entry by Landlord may be pursuant to judgement obtained in forcible detainer proceedings or other legal proceedings or without the necessity for any legal proceedings, as Landlord may elect, and Landlord shall not be liable in trespass or otherwise.

18.3 In the event Landlord elects to terminate the lease by reason of an event of default, then notwithstanding such termination, Tenant shall be liable for and shall pay to Landlord at the address specified for notice to Landlord herein the sum of all rental and other amounts payable to Landlord pursuant to the terms of this lease which have accrued to date of such termination, plus, as damages, an amount equal to the total rental (Minimum Guaranteed plus Tenant's Common Area Maintenance Charge, Insurance Escrow Payment and Tax Escrow Payment hereunder for the remaining portion of the lease term (had such term not been terminated by Landlord prior to the date of expiration stated in Article 1).

18.4 In the event that Landlord elects to repossess the Premises without terminating the lease, then Tenant shall be liable for and shall pay to Landlord at the address specified for notice to Landlord herein all rental and other amounts payable to Landlord pursuant to the terms of this lease which have accrued to the date of such repossession, plus total rental (Minimum Guaranteed plus Tenant's Common Area Maintenance Charge, Insurance Escrow Payment and Tax Escrow Payment required to be paid by Tenant to Landlord during the remainder of the lease term until the date of expiration of the term as stated in Article 1, diminished by any net sums thereafter received by Landlord through reletting the Premises during said period (after deducting expenses incurred by Landlord as provided in Section 18.5 hereof). In no event shall Tenant be entitled to any excess of any rental obtained by reletting over and above the rental herein reserved. Actions to collect amounts due by Tenant to Landlord as provided in this Section 18.4 may be brought from time to time, on one or more occasions, without the necessity of Landlord's waiting until expiration of the lease term.

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18.5 Landlord may, but need not, relet the Premises or any part thereof for such rent and upon such terms as Landlord, in its sole discretion, shall determine (including the right to relet the Premises for a greater or lesser term than that remaining under this lease, the right to relet the Premises as a part of a larger area, and the right to change the character or use of the Premises). If Landlord elects to relet the Premises, it shall only be required to use the same efforts it then uses to lease other space or properties which it owns or manages, provided, however that Landlord may be leasing or have available and may place a suitable prospective tenant in any such available space regardless of when such alternative space becomes available, provided, further, the Landlord shall not be required to observe any instruction given by Tenant about such reletting or accept any tenant offered by Tenant unless such offered tenant has a creditworthiness acceptable to Landlord, leases the entire Premises, agrees to use the Premises

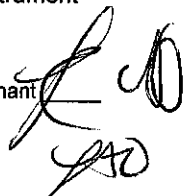
in a manner consistent with the lease and leases the Premises at the same rent, for no more than the current term and on the same terms and conditions as in this lease without any expenditure by Landlord for tenant improvements or broker's commissions. In any such case, Landlord may, but shall not be required to, make repairs, alterations and additions in or to the Premises and redecorate the same to the extent Landlord deems necessary or desirable.

18.6 In the event Tenant is comprised of more than one person and/or entity, all such persons and/or entities shall be jointly and severally liable for all of the obligations and liabilities of Tenant under this lease.

18.7 Upon receipt from Tenant of the sum stated in Section 1.1(o) above, such sum shall be held by Landlord without interest as security for the performance by Tenant of Tenant's covenants and obligations under this lease, it being expressly understood that such deposit is not an advance payment of rental or a measure of Landlord's damages in case of default by Tenant. If at any time during the term of this lease any of the rental herein reserved shall be overdue and unpaid, or any other sum payable by Tenant to Landlord hereunder shall be overdue and unpaid then Landlord may at its option apply any portion of said deposit to the payment of any such overdue rental or other sum. In the event of the failure of Tenant to keep and perform any of the other terms, covenants and conditions of this lease to be kept and performed by Tenant, then the Landlord at its option may apply the security deposit, or so much thereof as may be necessary, to compensate the Landlord for loss, cost or damage sustained, incurred or suffered by Landlord due to such breach on the part of tenant. Should the security deposit, or any portion thereof be applied by Landlord as herein provided, Tenant shall, upon written demand of Landlord, remit to Landlord a sufficient amount in cash to restore the security deposit to the original sum deposited, and tenant's failure to do so within five days after receipt of such demand shall constitute a default under this lease. Any remaining balance of such deposit shall be returned by Landlord to Tenant at such time after termination of this lease that all tenant's obligations under this lease have been fulfilled.

18.8 In the event of any default by Landlord, Tenant will give Landlord written notice specifying such default with particularity, and Landlord shall thereupon have thirty (30) days (or such longer period as may be required in the exercise of due diligence) in which to cure any such default. Unless and until Landlord fails to so cure any default after such notice, Tenant shall not have any remedy or cause of action by reason thereof. All obligations of Landlord hereunder will be construed as covenants, not conditions. The term "Landlord" shall mean only the owner, for the time being, of the Shopping Center, and in the event of the transfer by such owner of its interest in the Shopping Center, and in the event of the transfer by such owner of its interest in the Shopping Center, such owner shall thereupon be released and discharged from all covenants and obligations of the Landlord thereafter accruing, but such covenants and obligations shall be binding during the lease term upon each new owner for the duration of such owner's ownership. Notwithstanding any other provisions hereof, in the event of any breach or default by Landlord in any term or provision of this lease, Tenant agrees to look solely to the equity or interest then owner by Landlord in the land and improvements which constitute the Shopping Center, however, in no event shall any deficiency judgment or any money judgment of any kind be sought or obtained against Landlord.

18.9 In the event that Landlord shall have taken possession of the Premises pursuant to the authority herein granted, then Landlord shall have the right to keep in place and use all of the furniture, fixtures and equipment at the Premises, including that which is owned by or leased to Tenant at all times prior to any foreclosure thereon by Landlord or repossession thereof by any lessor thereof or third party having a lien thereon. Landlord shall also have the right to remove from the Premises (without the necessity of obtaining a distress warrant, writ of sequestration or other legal process and without being liable for prosecution or any claim for damages therefore) all or any portion of such furniture, fixtures, equipment and other property located thereon and place same in storage at any place within the County in which the Premises is located; and in such event, Tenant shall be liable to Landlord for costs incurred by Landlord in connection with such removal and storage and shall indemnify and hold Landlord harmless from all loss, damage, cost, expense and liability in connection with such removal and storage. Landlord shall also have the right to relinquish possession of all or any portion of such furniture, fixtures, equipment and other property to any person ("Claimant") claiming to be entitled to possession thereof who presents to Landlord a copy of any instrument

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represented to Landlord by Claimant to have been executed by Tenant (or any predecessor of Tenant) granting Claimant the right under various circumstances to take possession of such furniture, fixtures, equipment or other property, without the necessity on the part of Landlord to inquire into the authenticity of said instrument and without the necessity of Landlord's making any nature of investigation or inquiry as to the validity of the factual or legal basis upon which Claimant purports to act' and Tenant agrees to indemnify and hold Landlord harmless from all cost, expense, loss, damage and liability incident to Landlord's relinquishment of possession of all or any portion of such furniture, fixtures, equipment or other property to Claimant.

18.10 The rights and remedies of Landlord herein stated shall be in addition to any and all other rights and remedies which Landlord has or may hereafter have at law or in equity; and Tenant stipulated and agrees that the rights herein granted Landlord are commercially reasonable.

ARTICLE XIX. Mechanics' Liens. 19.1 Tenant shall have no authority, express or implied, to create or place any lien or encumbrance of any kind or nature whatsoever upon, or in any manner to bind, the interest of Landlord or Tenant in the Premises or to charge the rentals payable hereunder for any claim in favor of any person dealing with Tenant, including those who may furnish materials or perform labor for any construction or repairs. Tenant covenants and agrees that it will pay or cause to be paid all sums legally due and payable by it on account of any labor performed or materials furnished in connection with any work performed on the Premises on which any lien is or can be validly and legally asserted against its leasehold interest in the Premises or the improvements thereon and that it will save and hold Landlord harmless from any and all loss, cost or expense based on or arising out of asserted claims or liens against the leasehold estate or against the right, title and interest of the Landlord in the Premises or under the terms of this lease, and shall discharge any such lien at Tenant's expense and Landlord's cost thereof, plus interest thereon at the lesser of the highest rate permitted by law or eighteen percent (18%) per annum, shall be reimbursed by Tenant upon demand as additional rental hereunder.

ARTICLE XX. Holding Over. 20.1 In the event Tenant remains in possession of the Premises after the expiration of this lease with Landlord's written consent but without the execution of a new lease, it shall be deemed to be occupying said premises as a tenant from month to month at a rental equal to the rental (Minimum Guaranteed Rental) herein provided times 1.25 and otherwise subject to all the conditions provisions and obligations of this lease insofar as the same are applicable to a month to month tenancy. The foregoing shall not constitute Landlord's consent for Tenant to holdover. In the event Tenant remains in possession of the Premises after the expiration of this lease without Landlord's consent, Tenant shall also pay to Landlord all expiration of this lease without Landlord's consent, Tenant shall also pay to Landlord all damages sustained by Landlord resulting from retention of possession by Tenant, including without limitation the loss of any proposed subsequent tenant for any portion of the Premises.

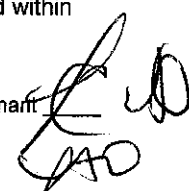
ARTICLE XXI. Subordination. 21.1 Tenant accepts this lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter created upon the Premises or the Shopping Center, and to any renewals and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this lease. Landlord is hereby irrevocably vested with full power and authority to subordinate this lease to any mortgage, deed of trust or other lien hereafter placed upon the Premises or the Shopping Center, and Tenant agrees upon demand to execute such further instruments subordinating this lease as Landlord may request, and, upon any failure of Tenant to do so, without limitation of Landlord's remedies, Landlord shall have the right to execute same as attorney-in-face for Tenant.

ARTICLE XXII. Merchant's Association. 22.1 In the event that Landlord shall organize a merchants association and/or marketing fund composed of tenants in the Shopping Center, Tenant agrees that it will join, actively participate and maintain current membership in such association, will pay such dues and assessments as may be fixed and determined from time to time by the association and will comply with such group advertising, reasonable bylaws, rules and regulations as may be adopted from time to time by the association.

ARTICLE XXIII. Notices. 23.1 Wherever any notice is required or permitted hereunder such notice shall be in writing. Any notice or document required or permitted to be delivered hereunder shall be deemed to be delivered whether actually received or not when deposited in the United States mail, postage prepaid, Certified or Registered Mail, Return Receipt Requested, addressed to the parties hereto at the respective addresses set out in Section 1.1 above, or at such other addresses as they may have hereafter specified by Written Notice.

23.2 If any when included within the term "Landlord" as used in this instrument there are more than one person, firm or corporation, all shall jointly arrange among themselves for their joint execution of such notice specifying some individual at some specific address for the receipt of notices and payments to Landlord; if and when included within

Tenant



the term "Tenant" as used in this instrument there are more than one person, firm or corporation, all shall jointly arrange among themselves for their joint execution of such a notice specifying some individual at some specific address for the receipt of notices and payments to Tenant. All parties included within the terms "Landlord" and "Tenant", respectively, shall be bound by notices and payments to Tenant. All parties included within the terms "Landlord" and "Tenant", respectively, shall be bound by notices and payments given in accordance with the provisions of this Article to the same effect as if each had received such notice or payment.

ARTICLE XXIV. Late Charges. 24.1 In the event Tenant fails to pay to Landlord when due any installment of rental or other sum to be paid to Landlord which may become due hereunder, Landlord will incur additional expenses in an amount not readily ascertainable and which has not been elsewhere provided for between Landlord and Tenant. If Tenant should fail to pay to Landlord when due any installment of rental or other sum to be paid hereunder, Tenant will pay Landlord when due any installment of rental or other sum to be paid hereunder, Tenant will pay Landlord on demand a late charge equal to the greater of (i) \$100.00 or (ii) ten percent (10%) of the past due amount. Failure to pay such late charge upon demand therefore shall be an event of default hereunder. Provisions for such late charge shall be in addition to all other rights and remedies available to Landlord hereunder or at law or in equity and shall not be construed as liquidated damages or limiting Landlord's remedies in any manner.

ARTICLE XXV. Miscellaneous. 25.1 Nothing herein contained shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between parties hereof, it being understood and agreed that neither the method of computation of rental, nor any other provisions contained herein, nor any acts of the parties hereto shall be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenant. Whenever herein the singular number is used, the same shall include the plural, and words of any gender shall include each other gender.

25.2 The captions used herein are for convenience only and do not limit or amplify the provisions hereof.

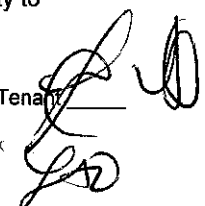
25.3 Time is of the essence with respect to all provisions of this lease, except that whenever a period of time herein prescribed for action to be taken by Landlord, Landlord shall not be liable or responsible for and there shall be excluded from the computation of any such period of time, any delays due to strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulations or restrictions or any other cause of any kind whatsoever which are beyond the reasonable control of Landlord. At any time when there is outstanding a mortgage, deed of trust or similar security instrument covering Landlord's interest in the Premises, Tenant may not exercise any remedies for default by Landlord hereunder unless and until the holder of the indebtedness secured by such mortgage, deed of trust or similar security instrument shall have received written notice of such default and a reasonable time for curing such default shall thereafter have elapsed.

25.4 Landlord agrees that if Tenant shall perform all of the covenants and agreements, herein required to be performed by Tenant, Tenant shall, subject to the terms of this lease, at all times during the continuance of this lease have the peaceable and quiet enjoyment and possession of the Premises.

25.5 This lease contains the entire agreement between the parties, and no agreement shall be effective to change, modify or terminate this lease in whole or in part unless such agreement is in writing and duly signed by the party against whom enforcement of such change, modification or termination is sought.

25.6 Tenant warrants that it has had no dealing with any broker or agent in connection with the negotiation or execution of this lease other than Chip Mark and Mark Real Estate Advisors. Tenant agree to indemnify and hold Landlord harmless from and against any claims by any other broker, agent or other person claiming a commission or other form of compensation by virtue of having dealt with Tenant with regard to this leasing transaction.

25.7 Tenant agrees to furnish from time to time when requested by Landlord, the holder of any deed of trust or mortgage or the lessor under any ground lease covering all or any part of the Shopping Center or the improvements therein or the Premises or any interest of Landlord therein, a certificate signed by Tenant confirming and containing such factual certifications and representations deemed appropriate by Landlord, the holder of any deed of trust or mortgage or the lessor under any ground lease covering all or any part of the Shopping Center or the improvements therein or the Premises or any interest of Landlord therein, and Tenant shall, within ten (10) days following receipt of said certificate from Landlord, return a fully executed copy thereof to Landlord. In the event Tenant shall fail to return a fully executed copy of such certificate to Landlord within the foregoing ten-day period, then Tenant shall be deemed to have approved and confirmed all of the terms, certifications and representations contained in such certificate. Tenant hereby irrevocably appoints Landlord as attorney-in-fact for the Tenant with full power and authority to

Tenant 

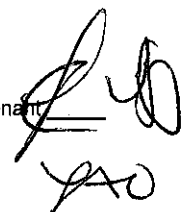
execute and deliver in the name of Tenant such certificate if Tenant fails to deliver the same with such ten (10) day period and such certificate as signed by Landlord shall be fully binding on Tenant.

25.8 The laws of the State in which the Premises is located shall govern the interpretation, validity, performance and enforcement of this lease. If any provision of this lease should be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this lease shall not be affected thereby, and it is also the intention of the parties to this lease that in lieu of each clause or provision of this lease that is illegal, invalid or unenforceable, there be added as a part of this lease a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

25.9 The terms, provisions and covenants contained in this lease shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors in interest and legal representatives except as otherwise herein expressly provided.

25.10 The person(s) executing this lease on behalf of Tenant hereby represent and warrant to Landlord that such execution has been duly authorized by all requisite action of Tenant so that upon such execution this lease will be binding upon and enforceable against Tenant in accordance with its terms. Tenant agrees to furnish to Landlord from time to time upon request such written proof of such authorization as Landlord may reasonably request.

ARTICLE XXVI. Landlord's Lien. Landlord shall have and Tenant hereby grants to Landlord a continuing security interest for all rentals and other sums of money becoming due hereunder from Tenant, upon all goods, wares, equipment, fixtures, furniture, inventory, accounts, contract rights, chattel paper and other personal property of Tenant situated on the Premises, and such property shall not be removed therefrom without the consent of Landlord until all arrearages in rent as well as any and all other sums of money then due to Landlord hereunder shall first have been paid and discharged. Products of collateral are also covered. In the event of a default under this lease, Landlord shall have, in addition to any other remedies provided herein or by law, all rights and remedies under the Uniform Commercial Code, including without limitation the right to sell the property described in this paragraph at public or private sale upon five (5) days notice to Tenant. Tenant hereby agrees to execute such other instruments necessary or desirable in Landlord's discretion to perfect the security interest hereby created. Any statutory lien for rent is not hereby waived, the express contractual lien herein granted being in addition and supplementary hereto. Landlord and Tenant agree that this lease and security agreement serves as a financing statement and that a copy or photographic or other reproduction of this portion of this lease may be filed of record by Landlord and have the same force and effect as the original. This security agreement and financing statement also covers fixtures located at the Premises described in Exhibit A attached hereto, and may be filed for record in the real estate records. The record owner of this property is . Tenant warrants that the collateral subject to the security interest granted herein is not purchased or used by Tenant for personal, family or household purposes.

Tenant 

EXECUTED BY LANDLORD, this _____ day of _____, 20____.

LANDLORD:

By: _____

Its: _____

EXECUTED BY TENANT, this 06 day of 19, 2018.

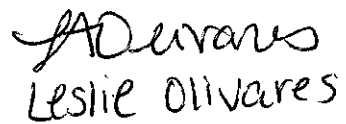
TENANT:



Lizet Candiani



Larissa Olivares


Leslie Olivares

By: _____

Its: Owners

This lease is subject to approval by the Kannapolis City Council, its City Manager, or its designee.

Tenant 
JAO

ADDENDUM "A"
HAZARDOUS MATERIALS

1. As used in this Rider, the term "Hazardous Materials" shall mean any element, compound, mixture, solution, particle or substance which is dangerous or harmful or potentially dangerous or harmful to the health or welfare of life or environment, including but not limited to explosives, petroleum, petroleum products, radioactive materials, hazardous wastes, hazardous substances, toxic substances or related materials, including, without limitation: (1) any substances defined as or included within the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "toxic substances," "hazardous pollutants" or "toxic pollutants," or other similar terms, as those terms are used in the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Hazardous Materials Transportation Act, the Toxic Substances Control Act, the Clean Air Act and the Clean Water Act, or any amendments thereto, or any regulations promulgated thereunder, and any other law or regulation promulgated by any federal, municipal, state, county or other governmental or quasi-governmental authority and/or agency or department thereof; (2) any "PCBs" or "PCB items" (as defined in 40 C.F.R. 4 761.3); or (3) any "asbestos" (as defined in 40 C.F.R. 4 763.63).
2. Tenant shall not use, generate, manufacture, produce, store, release, discharge or dispose of on, in, or under the demised Premises any Hazardous Materials (as defined in subparagraph 1 above), or allow any other person or entity to do so.
3. Tenant shall comply with all local, state and federal laws, ordinances and regulations relating to Hazardous Materials on, in, under or about the demised Premises.
4. Tenant shall promptly notify Landlord should Tenant receive notice of, or otherwise become aware of, any: (a) pending or threatened environmental regulatory action against Tenant or the Landlord or concerning the demised Premises in any way; (b) claims made or threatened by any third party relating to any loss or injury resulting from any Hazardous Material concerning the [refer to premises however described in lease] in any way; or (c) release or discharge, or threatened release or discharge, of any Hazardous Materials in, on, under or about the demised Premises.
5. Tenant agrees to indemnify, defend and hold Landlord, any property manager, and their respective agents and employees harmless from and against any and all liabilities, claims, demands, costs and expenses of every kind and nature (including attorneys' fees) directly or indirectly attributable to Tenant's failure to comply with this Rider, including, without limitation: (a) all consequential damages; (b) the costs of any required or necessary repair, remediation, testing, monitoring, cleanup or detoxification of any property, and (c) the preparation and implementation of any closure, remedial or other required plan. The indemnity contained in this Rider shall survive the termination or expiration of this Lease.

Tenant

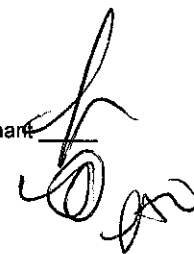
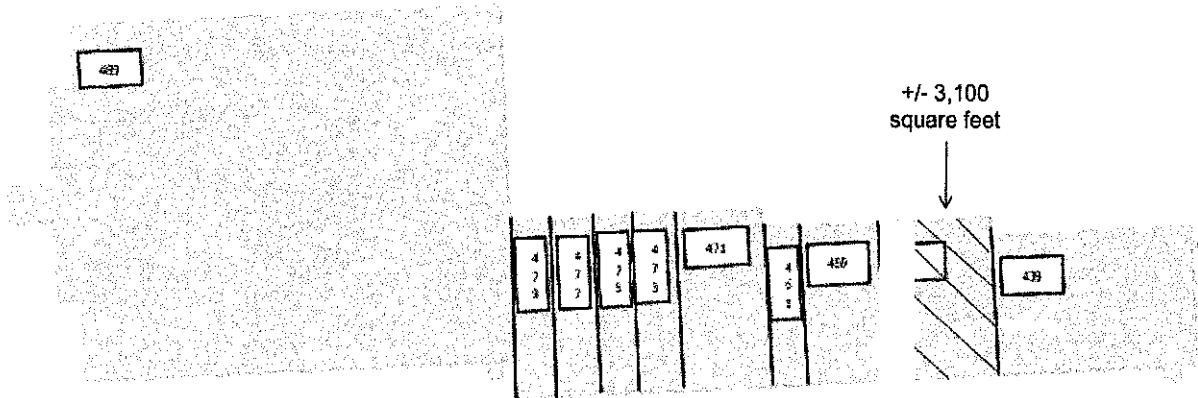


EXHIBIT A

Shopping Center Site Plan Showing Premises



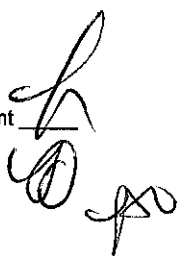
Tenant 

EXHIBIT B
Legal Description



Tenant  

EXHIBIT C

Description of Landlord's Work and Tenant's Work

1. Tenant agrees to accept the Premises in As-Is condition except that one demising wall provided by Landlord, tapped and bedded ready for paint. The demising wall will be located to the right of the front door and be located in such a way as to provide +/- 3,100 square feet of space. It shall go from the storefront to the back of the space and be built from floor to ceiling.

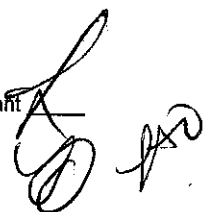
Tenant 

EXHIBIT C

Description of Landlord's Work and Tenant's Work

1. Tenant hereby accepts the Premises in vanilla shell condition, and for any alterations submit approved plans and specification for all necessary building permits and to proceed diligently to finish Tenant's Work in a good and workmanlike manner.
2. Tenant shall apply for separate metering of applicable utilities in Tenant's own name and shall be responsible for all deposits.
3. Tenant shall apply for a Certificate of Occupancy (or equivalent document as may be issued by City or County) and shall deliver a copy of such to Landlord prior to the Commencement Date of Lease.
4. If Tenant desires to alter the interior of the Premises, Tenant shall supply Landlord with plans and specifications at Tenant's expense within thirty (30) days following execution of the Lease. Tenant's Work shall be subject to Landlord's approval and acceptance which shall not be unreasonably withheld or delayed. Landlord's approval will be deemed granted unless Tenant is notified otherwise, within five (5) business days following receipt of said plans and specifications.
5. All salvage carpeting, light fixtures, doors, closure devices, HVAC, leasehold improvements, etc. shall remain the property of Landlord at Landlord's option. Landlord shall not be liable for or warranty the serviceability of these items, except for the HVAC unit its first year.
6. Tenant shall supply proof of insurance and executed lien waivers to Landlord prior to assuming occupancy of the Premises.
7. Any work that Tenant does in the premises, Tenant must receive from Landlord:
 - a. Approval of plans and specifications furnished by Tenant to Landlord within thirty (30) days following execution of the Lease;
 - b. Approval by Landlord of all Tenant's Work;
 - c. Receipt by Landlord from Tenant of a Certificate of Occupancy issued by the City or other municipal or governmental agency authorized to issue such Certificate for the Premises;
 - d. Receipt by Landlord from Tenant a release and waiver of liens, holding Landlord harmless from any obligation whatsoever which may be or may have been incurred by Tenant, or Tenant's contractors or subcontractors, during Tenant's Work within the Premises.
 - e. Fully executed Estoppel Certificate.
8. Tenant shall be responsible for all construction above and beyond the vanilla shell condition for purposes of obtaining a Certificate of Occupancy.
9. Vanilla shell condition shall be defined as follows:
 - a. Plumbing and sanitary sewer lines brought to the rear of the Premises;
 - b. Electrical box on the rear wall of the building;
 - c. Concrete floor;
 - d. Exterior walls of Premises constructed, but not sheet-rocked;
 - e. Building standard roof on Premises;
 - f. Water line serving Premises;
 - g. Back door;
 - h. Glass storefront and door per Landlord's specifications;
 - i. One demising wall with sheet rock and one cross partition wall;
 - j. 2 x 4 ceiling tiles in the premises;
 - k. 2 x 4 recessed lighting;
 - l. 13 tons of HVAC total capacity in either 2 or 3 units
 - m. One handicap accessible bathroom;
 - n. Duplex outlets per building code; and

Tenant

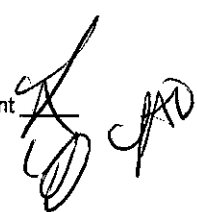


EXHIBIT D

Rules and Regulations to Use of the Common Area

The use of the Common Area by Tenant and Tenant's agents, employees, servants, visitors and invitees shall be subject to the following rules and regulations:

1. Landlord shall have the right and authority to designate specific areas within the Shopping Center or in reasonable proximity thereto in which automobiles and other transportation vehicles owned by Tenant, Tenant's employees, servants, agents, licensees and concessionaires shall be parked. Tenant shall furnish to Landlord upon request a complete list of all license numbers of all automobiles and other transportation vehicles operated by Tenant, Tenant's employees, servants, agents, licensees or concessionaires.
2. All loading and unloading of goods shall be done only at such times, in the area and through the entrances as shall as designated from time to time for such purposes by Landlord.
3. The delivery or shipping of merchandise, supplies and fixtures to and from the Premises shall be subject to such rules and regulation as in the sole discretion of Landlord shall be necessary for the proper operation of the Shopping Center.
4. No person shall use any utility area, truck facility or other area reserved for use in connection with the conduct of business except for the specific purpose for which such area is designed.
5. Except as permitted in a Tenant's lease of the Premises or except as permitted by Landlord's prior written consent, no person shall within the Common Area:
 - a. Vend, peddle or solicit orders for sale or distribution of any merchandise, device, service, periodical, book, pamphlet or other matter whatsoever;
 - b. Exhibit any sign, placard, banner, notice or other written material;
 - c. Distribute any circular, booklet, handbill, placard or other materials;
 - d. Solicit membership in any organization, group or association or contribution for any purpose
 - e. Parade, patrol, picket, demonstrate or engage in any conduct that might tend to interfere with or impede the use of the Common Area by Landlord or any occupant or any employee, or invitee of any occupant of the Shopping Center, create a disturbance, attract attention or harass, annoy, disparage or be detrimental to the interests of any business establishments within the Shopping Center;
 - f. Use the Common Area for any purpose when none of the business establishment within the Shopping Center is open for business or employment
 - g. Throw, discard or deposit any paper, glass or extraneous matter of any kind, except in designated receptacles, or create litter or hazards of any kind (Tenant agrees to crush boxes and deposit in trash container);
 - h. Deface, damage or demolish any sign, light standard or fixture, landscaping material or other improvements within, or property situated within the Common Area of the Shopping Center, and;
 - i. Solicit any other business or display any merchandise.
6. The Common Area plumbing facilities shall not be used for any purpose other than that for which they are constructed, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by Tenant, who shall, or whose employees, agent or invitees shall have caused it.
7. All floor area, including vestibules, entrances and exits, doors, fixtures, windows and plate glass shall be maintained in a safe neat, and clean condition.
8. No portion of this Common Area or the Shopping Center shall be used for any lodging or illegal purposes.
9. The sidewalks, halls, passages, exits, entrances, elevators, shopping malls, escalators and stairways of the Common Area or the Shopping Center shall not be obstructed by any Tenant or used by and Tenant for any purpose other than for ingress and to egress from their respective Premises. The halls, passages, exits, entrances, elevators, shopping malls escalators, stairways are not for the use of the general public and Landlord shall at all cases retain the right to control and prevent access thereto of all persons whose presence in the judgement of Landlord shall be prejudicial to the safety, character, reputation and interest of the Shopping Center and its tenants, provided that nothing herein contained shall be construed to prevent such access to persons with whom any Tenant normally deals in the ordinary course of its business, unless such persons are engaged in illegal activities. No tenant and no employee or invitee of any Tenant shall go upon the roof or any building in the Shopping Center except for the sole purpose of servicing its air conditioning units or rooftop equipment.
10. In the case of any invasion, mob, riot, public excitement or other circumstances rendering such action advisable in Landlord's sole discretion, Landlord reserves the right to prevent access to the Common Area and Shopping

Tenant

Center during the continuance of the same by such action as Landlord may deem appropriate, including closing entrances to the Shopping Center and Common Area.

11. No Tenant shall place or permit any radio or television antenna, loudspeaker, amplifier or other device in the Common Area or where the same can be seen or heard in the Common Area without the prior written consent of Landlord.
12. No person shall use any part of Common Area for any purpose other than those for which the Common Area is intended.
13. No part of the Common Area shall be used for storing or maintaining any material or property, whether on a temporary basis or otherwise.
14. Any repairs, maintenance or replacements to the Common Area required to be made by Landlord which are occasioned by the act or negligence of any Tenant, its agents, employees, sub-tenants, licensees and concessionaires, shall be paid for by such Tenant upon demand to the extent not covered by insurance proceeds paid to Landlord therefore.
15. No Tenant shall make any alteration, addition or improvement to or remove any portion of the Common Area, and no Tenant shall make any changes to or paid any portion of the Common Area, or install any lighting decorations or paintings in or to the Common Area, or erect or install any signs, banners, placards, decorations or advertising media or any type in the Common Area
16. Landlord may waive any one or more of these rules and regulations for the benefit of any particular tenant or lessee, but no such waiver by Landlord shall be construed as a waiver of such rules and regulations in favor of any other tenant or lessee, nor prevent Landlord from thereafter enforcing any such rules and regulations against any or all of the tenants of the Shopping Center.

Landlord shall at all times have the right to change these rules and regulations or to promulgate other rules and regulations in such manner as may be deemed advisable for safety, care, or cleanliness of the Shopping Center, for preservation of good order therein, or for other purposes, all of which rules and regulations, changes and amendments shall be carried out and observed by Tenant. Tenant shall further be responsible for the compliance with these rules and regulations by the employees, servants, agents, visitors and invitees of Tenant. In the event any provisions of these rules and regulations shall conflict with any specific provisions of the Lease Agreement to which this Exhibit D is attached, the provisions of the Lease Agreement shall control.

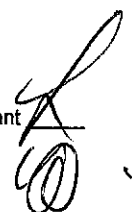

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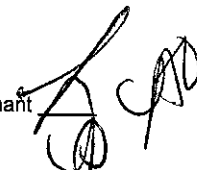
EXHIBIT E

Cost of Operation and Maintenance of the Common Area

The cost of operation and maintenance of the Common Area shall include by shall not be limited to, all cost and expenses incurred by Landlord in operating, maintaining, repairing, lighting, signing, cleaning, painting, stripping, insuring, equipping, staffing, heating and cooling, securing, and policing of the Common Area, including, among other costs, all costs and expenses for or associated with the following (which may be incurred by landlord in its sole discretion):

1. Alarm systems, alarm services, security personnel, security services, patrol services and fire protection;
2. Maintenance of sprinkler systems (both fire and irrigation) serving the Shopping Center and/or Common Area;
3. Insurance, including, without limitation, liability insurance for personal injury, death and property damage, insurance against fire, extended coverage, theft or other casualties, fidelity bonds for personnel, insurance against liability for assault and battery, defamation and claims of false arrest and plate glass insurance;
4. Regulation or direction of traffic;
5. Repair or replacement, cleaning, sweeping painting, striping and repaving of asphalt parking areas, concrete parking areas, all parking garage areas, curbs, walkways, pipe bollards, guardrails, bumpers, fences, screens, flagpoles, bicycle racks, signs and other markers, landscaping, drainage pipes, ducts, conduits and similar items and lighting facilities;
6. Planting, replanting and replacing flowers, trees, shrubbery, planters and other landscaping items and materials;
7. Any surcharges levied upon or assessed against parking spaces or areas payments toward mass transit or carpooling facilities or otherwise as required by federal, state or local governmental authorities;
8. Maintenance, repair and replacement of utility systems serving the Common Area, including, but not limited to, water, sanitary sewer and storm water lines and drainage systems, electrical, gas, telephone and lighting systems (including bulbs, poles and fixtures) and other utility lines, pipes and conduits, including utility charges in connection with any of the foregoing systems;
9. Maintaining and operating sewage treatment facilities, if any;
10. Maintenance, repair, replacement and substitution of and for all portions of the buildings in the Shopping Center (excluding the premises and premises (leased to other tenants), including walls, roofs and roof flashings, canopies, skylights, signs, planters, benches, fire exits, doors and hardware, window, glass and glazing;
11. All licenses and permit fees and surcharges that may result from any law, rule regulation, guideline or order;
12. Lighting and power to the Common Area;
13. Energy to heat, ventilate and air condition areas in which the Common Area is located;
14. Water services, if any, furnished by Landlord for the non-exclusive use of all tenants and their guests and invitees;
15. Operating and maintaining any public toilets and restrooms;
16. Removal of snow, ice, trash and debris;
17. Maintaining federal, state or local governmental ambient air and environmental standards;
18. Installing, renting, maintaining and operating signs of all types;
19. The installation, rental, maintenance, repair and replacement of music program services and loudspeaker systems, including furnishing electricity therefore;
20. Parcel pick-up and delivery services;
21. All materials, supplies and services purchased or hired in the operation of the Common Area or for the purposes set forth in this Exhibit;
22. Inspecting, maintenance, repair and acquisition costs (including depreciation) of any and all machinery and equipment used in the operation and maintenance of the Common Area or for any of the purposes set forth in this Exhibit E, including personal property taxes and other charges and taxes incurred in connection with such equipment;
23. Any and all personnel, including, without limitation, security and maintenance people, secretaries, bookkeepers and any other personnel related to the operation of the Common Area or for the purpose set forth in this Exhibit E (including within such costs and expenses for such personnel, without limitation, salaries, wages, leasing commissions, expenses and other compensation, including so-called fringe benefits, life, disability, medical and health insurance, pension plans, social security taxes, F.I.C.A., unemployment and other employment taxes, workmen's compensation, insurance and the like);

Tenant



24. Assessments levied against the Shopping Center by any community association or otherwise under any applicable restrictive covenants or the like covering the Shopping Center and other property within a development complex; and
25. Administrative costs attributable to the Common Area for on-site personnel and an overhead administrative cost allowance in the amount of 15% of the total Common Area costs.
26. Costs related to Shopping Center for promotional events, marketing, Shopping Center advertising, mass media platform creation and maintenance.

Provided there should be no duplication of costs in this **Exhibit E** with any costs Tenant is responsible to pay in other provisions of the Lease Agreement to which this Exhibit is attached.

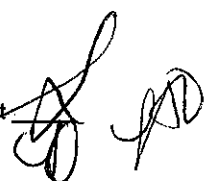
Tenant 

EXHIBIT F

Sign Criteria

Tenants are responsible for following the sign criteria. Any nonconforming or unapproved sign must be brought into conformance at the expense of the Tenant.

GENERAL REQUIREMENTS

- A. All signs shall comply with all state and local laws governing signage, electrical installations, location, and materials. All electric signs are to be UL listed.
- B. Tenant shall obtain written approval from Landlord for signage prior to manufacturing or installation. Tenant shall submit drawings showing design, color, size, and location of proposed sign.
- C. Tenant shall obtain any required permits prior to installation.
- D. The cost of fabrication, installation, illumination and maintenance of all signs shall be the sole responsibility of each Tenant.
- E. All signs and sign structures shall be kept in good repair. The Landlord reserves the right to cause the removal of any sign not so maintained or removed.
- F. Signs with flashing, blinking, rotating, moving, or animated lights are prohibited.
- G. Upon the termination of Tenant's lease, Tenant will remove the sign and repair, patch, or plug any damaged building façade material caused by the sign to a condition acceptable to the Landlord. All repairs to exterior materials must be performed by a contractor acceptable to the Landlord.
- H. All signs shall be in accordance with the following requirements:
 - 1. Signs, symbols and/or trademarks must have preliminary approval by the Landlord before shop drawings are made
 - 2. Tenant shall submit two (2) sets of shop drawings to the Landlord for approval. Drawings must show size of all letters, spacing, materials, mounting methods and overall sign dimensions in relation to lease area. Landlord approval is for design compliance only and it does not indicate approval of the technical portion of the sign or compliance with the city ordinance.
 - 3. Signs previously used by owners or sign contractors must conform to the conditions and limitations of this document. Re-use of an existing sign must be approved by the Landlord.

SPECIFIC REQUIREMENTS

A. STOREFRONT SIGN REQUIREMENTS

- 1. Tenant must install a storefront sign on the sign band. Only one sign is permitted for each Tenant, unless permitted in writing by Landlord.
- 2. Minimum length: 50% of storefront façade width; Maximum length: 75% of storefront façade width, but not more than 30 feet. Letters not to exceed 24" in height.
- 3. No exposed raceways, ballast boxes, or electrical transformers will be permitted. Sign company names or stamps must be concealed.
- 4. For illuminated signs, signs will be LED; returns and trim caps shall be painted Dark Bronze. If using a raceway, raceways must be surface mounted.

B. OTHER SIGNAGE

- 1. Temporary wall signs, pennants, over-roof signs, inflatable displays are not permitted.
- 2. Vinyl banners are permitted only with Landlord's written approval, and shall be used for a period not to exceed 30 days.
- 3. Signage on windows must comply with local regulations and requires Landlord's written approval. Paper signs and handmade signs are permitted only with Landlord's written approval.
- 4. Tenant must have storefront number displayed on or above the entryway. Size, type, and color of number shall be approved by the Landlord.

Tenant





**PUBLIC NOTICE
LEASE OF CITY PROPERTY**

The City Council of the City of Kannapolis will consider a lease for the following city-owned property:

443 N. Cannon Blvd
Kannapolis, North Carolina

The City intends to lease the property to Lizet Candiani, Larissa Olivares, and Leslie Olivares for a term of five years. In consideration of the lease, Tenant will pay the City base monthly rent for the following years of the term: Year 1: \$2,195.83, Year 2: \$2,247.50, Year 3: \$2,300.20, Year 4: \$2,353.95, Year 5: \$2,408.78.

All persons interested in this lease are invited to attend the meeting of the City Council to be held in the Council Chambers, City Hall, 401 Laureate Way, Kannapolis, North Carolina at 6:00 pm on Monday, July 9, 2018. At that time the board intends to authorize the lease of the property described above.

Anyone who requires an auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in a program, service, or activity of **the City of Kannapolis**, should contact the office of ***Tina H. Cline, Human Resource Director, by phone at 704-920-4302 or by email at tcline@kannapolisnc.gov*** as soon as possible but no later than 48 hours before the scheduled event.

ADVERTISING INSTRUCTIONS:

To be published as a Legal Ad on **FRIDAY, JUNE 29, 2018**

If this date is not acceptable, or any problems please contact immediately:

Bridgette Bell, City Clerk

(704) 920-4303

bbell@kannapolisnc.gov



**City of Kannapolis
City Council Meeting
July 9, 2018
Staff Report**

TO: Mayor and City Council
FROM: Ernie Hiers, Fire Chief
TITLE: Firemen's Local Relief Fund Board of Trustees

A. Action Requested by City Council

Motion to re-appoint Rick Towell to the Firemen's Local Relief Fund Board of Trustees for a two year term.

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

North Carolina General Statute 118-6 provides for the City Council to appoint two members to the Board of Trustees of the Firemen's Local Relief Fund. Each member is to be appointed for a two-year term, with terms staggered. The Council appointees currently serving are Rick L. Towell and Paul S. Bessent, Jr. The term of Rick L. Towell is expiring and he has expressed his willingness to continue to serve on the Firemen's Local Relief Fund Board of Trustees for another two-year term.

D. Fiscal Considerations

None

E. Policy Issues

This appointment will be in compliance with North Carolina General Statute 118-6.

F. Legal Issues

None

G. Alternative Courses of Action and Recommendation
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1. **City Council may re-appoint Rick L. Towell to a two-year term on the Relief Fund Board of Trustees. Mr. Towell's continued service is important to the continuity of the Board of Trustees' service to the local fire department (Recommended)**
2. City Council may appoint another city resident to serve on the Relief Fund Board.

ATTACHMENTS:

File Name

No Attachments Available



**City of Kannapolis
City Council Meeting
July 9, 2018
Staff Report**

TO: Mayor and City Council
FROM: Zachary D. Gordon, AICP, Planning Director
TITLE: Board of Adjustment Appointments

A. Action Requested by City Council

Motion to appoint three (3) members to Board of Adjustment and recommend to Rowan County Board of Commissioners reappointment of ETJ representative.

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

The Board of Adjustment have three seats to fill.

Jeff Parker, Colby Meadows and James Palmer. Colby Meadows and James Palmer will be completing their 2nd three-year term and are eligible for re-appointment for a third term of three years. Colby Meadows and James Palmer have expressed a desire to serve another three year term at the pleasure of Council.

In accordance with the City's Boards and Commission Policy, Jeff Parker is completing his 3rd three-year term (9 years) and is not eligible for re-appointment. However, Council has the authority to appoint Mr. Parker to an additional three-year term.

Boyd Hardin (ETJ Representative) is completing his second term and is eligible to serve an additional three year term, subject to re-appointment by the Rowan County Board of Commissioners. The ETJ representative would need to be re-appointed by the Rowan County Board of Commissions, based on a recommendation from City Council.

D. Fiscal Considerations

None

E. Policy Issues

Under the policy of the City Council regulating appointments to boards, commissions and committees, members are limited to serving no more than three (3) three-year terms (12 years). For those who have exhausted their 3rd three-year terms, City Council is able to extend an appointment by an additional period of three (3) years.

F. Legal Issues

None

G. Alternative Courses of Action and Recommendation

1. **Motion to re-appoint Colby Meadows and James Palmer for another three-year term (Recommended) Motion to recommend re-appointment of current ETJ member Boyd Hardin to the Rowan County Board of Commissioners; (Recommended)**
2. Appoint members of Council choosing from list of applications on file.
3. Table action to a future meeting

ATTACHMENTS:

File Name

BOA_MEMBER_LIST_2017-2018_Web_Version.pdf

Kannapolis Board of Adjustment July 2017- June 2018

<u>CHAIRMAN</u> Jonathan Farmer 5309 Randolph Road Kannapolis, NC 28081	(H) None (W) 704-699-6613 Email: jonathanfarmer1985@gmail.com Expires: 6/30/2020 Term: 3rd
<u>Vice-Chairman</u> Jeff Parker 1630 Eastwood Drive Kannapolis, NC 28083	(H) 704-933-5518 (C) 704-467-1471 Email: walwxi@carolina.rr.com Term Expires: 6/30/2018 Term: 3rd
Andrew Baker 220 York Avenue Kannapolis, NC 28083	(H) & (W) 704-652-1730 Email: awb127@yahoo.com Term Expires: 6/30/2020 Term: 3rd
Colby Meadows 608 Walter Street Kannapolis NC 28083	(H) 704-933-2046 Email: emeadows84@yahoo.com Term Expires: 06/30/2018 Term: 2nd
James Palmer 2375 Curecanti Court Kannapolis NC 28083	(H) 704-787-1973 (W) 704-938-1512 Email: james@yourpbd.com Term Expires: 06/30/2018 Term: 2nd
JoAnn Crosby 322 Wisteria Lane Kannapolis, NC 28083	H) 704-933-01332 (C) 704-562-7101 Email: jlcrosby@winstream.net Term Expires: 06/30/2019 Term: 1st
<u>Alternate #1</u> M. Ryan Craft 914 Polo Street Kannapolis NC 28081	(W) 704-224-1961 Email: awbmrc@yahoo.com Term Expires: 06/30/2020 Term: 2nd
<u>Alternate #2</u> OPEN	
<u>*Rowan E.T.J. Representative</u> Boyd Hardin 902 East 22 nd Street Kannapolis, N.C. 28083	(H) 704- 933-0086 Email: rhardin45@hotmail.com Expires: 6/30/2018 Term: 2nd

The Board of Adjustment meets the Third Tuesday of each month, at 6:00 P.M., at the Kannapolis City Hall Municipal Building located at 401 Laureate Way, Kannapolis. ***Appointed by Rowan County Commissioners for representation of Extraterritorial Jurisdiction in Rowan County.**



**City of Kannapolis
City Council Meeting
July 9, 2018
Staff Report**

TO: Mayor and City Council
FROM: Zachary D. Gordon, AICP, Planning Director
TITLE: Planning and Zoning Commission Appointments

A. Action Requested by City Council

Motion to appoint three (3) members to the Planning and Zoning Commission

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

The Planning and Zoning Commission have three seats to fill. David Baucom, Bob Caison and Allan Overcash.

David Baucom is completing his fourth three-year term and is not eligible for re-appointment. In accordance with the City's Boards and Commission Policy, one can only serve for 4 consecutive three-year terms (12 years). Bob Caison has completed one three-year term and does not wish to be re-appointed to a second term. Allan Overcash has completed his second three-year term (6 years) and is eligible to serve an additional three-year term. Mr. Overcash has indicated a willingness to be re-appointed to a second term at the pleasure of City Council.

Staff has carefully reviewed the applications on file and would like to recommend the reappointment of Allan Overcash to a second, three-year term. Council will need to appoint from the list of candidates to fill the expired terms of David Baucom and Bob Caison.

D. Fiscal Considerations

None

E. Policy Issues

Under the policy of the City Council regulating appointments to boards, commissions and committees, members are limited to serving no more than three (3) three-year terms. For those who have served three terms, City Council is able to extend an appointment by an additional period of one three-year term.

F. Legal Issues

None

G. Alternative Courses of Action and Recommendation

1. **Motion to re-appoint Allan Overcash to a three-year term. Appoint two new members to fill the expired terms of David Baucom and Bob Caison from the list of applications on file (Recommended)**
2. Do not reappoint Allan Overcash and appoint three new members from the list of applications on file.
3. Defer action to a future meeting

ATTACHMENTS:

File Name

📎 PZ_MEMBER_LIST_2017-2018_web_version.pdf

KANNAPOLIS PLANNING AND ZONING COMMISSION MEMBERS July 2017 - June 2018

<u>Chairman</u> David Baucom 119 Greenview Dr. PO Box 1386, Kannapolis 28082 Kannapolis, NC 28081	(C) 704-224-5651 Email: david.baucom@lpl.com Term Expires: 6/30/2018 Term: 4th
<u>Vice-Chairman</u> Scott Trott 2909 Donegal Drive Kannapolis, NC 28081	(H) 704-933-3944 (C) 704-743-8404 Email: sbtrott@aol.com Term Expires: 6/30/2019 Term: 2nd
Chris Puckett 848 Lantern Way Kannapolis, NC 28081	(H) 704-933-4035 (C) 704-298-5872 Email: ch2realty@gmail.com Term Expires: 6/30/2020 Term: 1st
Bob Caison 207 Suburban Avenue Kannapolis, NC 28083	(H) 704-933-4114 (C) 980-622-6362 Email: blcaison1@gmail.com Term Expires: 6/30/2018 Term: 1 st
William Cranford 331 Chestnut Avenue Kannapolis, NC 28081	(H) 704-933-2661 (C) 704-634-3490 Email: wcranford@shoeshow.com Term Expires: 06/30/2020 Term: 1st
David Steele PO Box 659, 28082-0659 201 Bost Street Kannapolis, NC 28081	(H) 704-932-3795 (C) 980-622-1317 Email: dave.t.steele@gmail.com Term Expires: 6/30/2019 Term: 2nd
Alan Overcash 6033 Willowood Road Kannapolis, NC 28083	(H) 704-787-8400 (C) 704-938-8060 Email: overcasha@gmail.com Term Expires: 6/30/2018 Term: 2nd
*Paula Severt 1310 Cannon Farm Road China Grove, NC 28023	(C) 704-232-3433 Email: paulasevert@yahoo.com Term Expires: 6/30/2020 Term: 1 st

The Commission meets the first Wednesday of each month, at 6:00 P.M., at the Kannapolis City Hall Municipal Building located at 401 Laureate Way, Kannapolis.

*Appointed by Rowan County Comm. for representation of Extraterritorial Jurisdiction in Rowan County.



**City of Kannapolis
City Council Meeting
July 9, 2018
Staff Report**

TO: Mayor and City Council
FROM: Gary Mills, Parks and Recreation Director
TITLE: Parks and Recreation Commission Appointments

A. Action Requested by City Council

Motion to appoint three (3) members to the Parks and Recreation Commission.

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

The Parks and Recreation Commission have three seats to fill. Jeff Ashbaugh, Richard Chaney, and Cindy Griggs have all asked to be re-appointed to the Parks and Recreation Commission for a new three year term. Staff has carefully reviewed the applications and would like to recommend the reappointment of Cindy Griggs, Jeff Ashbaugh and Richard Chaney for a three year term to expire June 30, 2021. All three have served one three (3) year term.

D. Fiscal Considerations

None

E. Policy Issues

None

F. Legal Issues

None

G. Alternative Courses of Action and Recommendation

- 1. Motion to re-appoint Jeff Ashbaugh, Cindy Griggs, and Richard Chaney to the Parks and Recreation Commission for another three-year term. (Recommended)**
2. Appoint members of Council's choosing from list of applications on file
3. Table action to a future meeting.

ATTACHMENTS:

File Name

▣ Parks_and_Recreation_Member_List_2018.pdf

PARKS AND RECREATION ADVISORY COMMISSION 2018

BOARD MEMBERS	DATE APPOINTED	TERM EXPIRES	TERMS SERVED (original appointment date)
<u>Co-Chairman</u> Cindy Griggs 213 Idlewood Drive Kannapolis, N. C. 28083 H-704-932-0378 C-704-239-4734 Email: griggscs@carolina.rr.com	06/22/2015	06/30/2018	2nd (06/25/12)
Richard Chaney 1101 S. Windsor Drive Kannapolis, NC 28081 H-704-938-5479 C-704-796-8021 Email: rchaney1101@gmail.com	06/22/2015	06/30/2018	1st (06/22/15)
Jeff Ashbaugh 4949 Copper Creek Trail Kannapolis, NC 28081 H-704-932-8430 C-704-975-0471 Email: jashbaugh@benesch.com	06/22/2015	06/30/2018	1st (06/22/15)
Richard Money 1001 West A Street Kannapolis, NC 28081 H-704-783-7485 C-704-783-7485 Email: richardmoney04@gmail.com	06/26/2017	06/30/2020	1st (06/26/17)
Olivia Linkel 320 Courtland Court Kannapolis, NC 28081 H-980-621-8109 C-980-621-8109 Email: thelinkels@yahoo.com	06/26/2017	06/30/2020	1st (06/26/17)
Jessica Touart 910 S. Juniper Street Kannapolis, N.C. 28081 H-704-305-1303 W-C 704-793-1982 Email: Jessica@themaidsconcnc.com	06/27/2016	06/30/2019	1 st (06/27/2016)
Matthew Mann 2660 Centergrove Road Kannapolis, N.C. 28083 H-704-791-5707 C-704-791-5707 Email: brettmann90@gmail.com	06/27/2016	06/30/2019	1st (06/27/19)
Billy "Buddy" A. Amerson 105 S. East Avenue Kannapolis, NC 28083 H-704-933-6952; W-980-622-1248 Email: buddy.amerson@labor.nc.gov	06/27/2016	06/30/2019	4th (12/10/07)
**Philip M. Belfield 2338 Bloomfield Drive Kannapolis, NC 28081 Home/Cell: 804-761-1092 Email: pbelfield@cannonymca.org	02/26/2017	06/30/2020	1st (02/26/2017)
Staff Contact: Gary Mills, Director Main: 704-920-4343 Direct: 704-920-4340 Email: gmills@kannapolisnc.gov	Becky Tolle, Recreation & Special Events Main: 704-920-4343 Direct: 704-920-4341 Email: btolle@kannapolisnc.gov		

The board meets the second Tuesday of each month at 6:30 pm at the City Hall/Police Head Quarters located at 401 Laureate Way, Kannapolis. *Filling unexpired term of Kevin May



**City of Kannapolis
City Council Meeting
July 9, 2018
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 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 Berry)

MOTION TO 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



**City of Kannapolis
City Council Meeting
July 9, 2018
Staff Report**

TO: Mayor and City Council
FROM: Bridgette Bell, City Clerk
TITLE: July and August

A. Action Requested by City Council

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