

KANNAPOLIS CITY COUNCIL MEETING AGENDA Kannapolis City Hall 401 Laureate Way, Kannapolis NC April 23, 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

PROCLAMATIONS

- 1. Recognition of Public Safety Telecommunicators
- 2. Municipal Clerks Week
- 3. International Fire Fighter Appreciation Day

RECOGNITIONS

- 1. 2018 Citizen's Police Academy Graduation (J.W. Chavis, Police Chief)
- 2. 2018 Citizen's Fire Academy Graduation (Ernie Hiers, Fire Chief)

APPROVAL/CORRECTION OF MINUTES

- 1. March 02, 2018 Continued Meeting Minutes
- 2. March 26, 2018 Regular Meeting Minutes
- 3. Closed Session Minutes March 26, 2018

CONSENT AGENDA - Motion to Adopt Consent Agenda or make revisions

1. Budget Amendment 18-16; Closing the Village Park Phase 3 Capital Project Fund (Eric Davis, Finance Director)

BUSINESS AGENDA

- A. **Presentation 2017 State of the County Health Report** (Marcella Beam, Executive Director, Healthy Cabarrus for the Cabarrus Health Alliance)
- B. Follow-up Presentation Regarding TIP #Project Y-4810 K Rogers Lake Road Separated Grade Crossing (Wilmer Melton, III, Director of Public Works)
- C. Public Hearing Voluntary satellite annexation of approximately 22.35 acres on Shiloh Church Road (Property Identification Numbers (PIN): 4672-68-3634, 4672-68-0812) (Zachary D. Gordon, AICP, Planning Director)

- D. Public Hearing Voluntary annexation of approximately 29.15 acres on Shiloh Church Road (Property Identification Numbers (PIN): 4672-58-5733, and 4672-49-9371) (Zachary D. Gordon, AICP, Planning Director)
- E. Second Reading: Public Hearing Text amendment to Article 3, Section 3.7.1 of the Unified Development Ordinance (UDO) amending the voting requirements for Board of Adjustment (BOA) actions (Zachary D. Gordon, AICP, Planning Director)
- F. College Station Commercial Leases (Irene Sacks, Director of Economic Development)

CITY MANAGER REPORT

CITY COUNCIL COMMENTS

SPEAKERS FROM THE FLOOR

In order to speak to Council, please fill out a white card and return to the City Clerk. Cards are located on the table as you enter the meeting room. Please limit comments to 3 minutes

CLOSED SESSION

GS. 143-318.11 (a) (3) to consult with an attorney in order to preserve the attorney client privilege 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

May 14, 2018 May 28, 2018 (Meeting Cancelled) Memorial Day May 29, 2018 (Meeting Added in lieu of May 28) June 11, 2018 June 25, 2018

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.



Office of the Mayor KANNAPOLIS, NORTH CAROLINA P R O C L A M A T I ON

IN RECOGNITION OF PUBLIC SAFETY TELECOMMUNICATORS

WHEREAS, the men and women serving as Public Safety Telecomunicators, 911 operators, dispatchers, and other communications specialists are dedicated to saving lives. These professionals are the "unseen first responders", and provide a vital link for our police officers, firefighters and EMS personnel by monitoring their activities by radio and other means of telecommunication equipment, providing them information and insuring their safety; and

WHEREAS, professional Public Safety Telecommunicators are more than a calm and reassuring voice at the other end of the phone, they are highly trained individuals, prepared and ready to ensure the safety of our police officers, firefighters and EMS personnel who dependent upon the quality and accuracy of information obtained from citizens that call the Kannapolis E-911 Communications Center; and

WHEREAS, each Public Safety Telecommunicator exhibits compassion, understanding and professionalism during the performance of their job, we owe a great debt to the men and women for the exceptional job they do each day in the field of emergency communications; where most dispatchers receive no public acclaim for their efforts; they ask little except only the public's support for the work they do; and

NOW, THEREFORE, BE IT RESOLVED that the citizens of Kannapolis take time to acknowledge and honor the dedicated telecommunicators and the great work that these men and women do every day. Between the thin blue line and the thin red line, lies the thinnest gold line. This gold line represents those who rarely are seen, but mostly heard. Dispatchers are the golden glue that holds it all together.



IN WITNESS THEREFORE, I have set my hand and caused the Great Seal of the City of Kannapolis be affixed this 23rd day of April 2018.

Weten D. Hinnan



Office of the Mayor KANNAPOLIS, NORTH CAROLINA Proclamation Recognizing Municipal Clerks Week The Week of May 6 – 12, 2018

WHEREAS, the International Institute of Municipal Clerks (IIMC), a professional non-profit association with over 14,500 plus members, announces its 49th Annual Municipal Clerks Week – May 6 through May 12, 2018. IIMC has sponsored Municipal Clerks Week since 1969, and

WHEREAS, Office of the Municipal Clerk is the hub of government, maintaining the official Council Minutes, Ordinance Books, records and documents; processes contracts and agreements and acts as a key liaison between local government and its citizens, and

WHEREAS, Municipal Clerks are tasked with some functions that are clerical in nature, but a strong positive professional relationship between the Clerk, Mayor, City Council, City Manager, City Attorney and all Administrative Departments; without exception, is important for effective service delivery to residents. All of them call upon the Office of the Clerk almost daily, for some service or information. The work is not spectacular, but it demands versatility, alertness, accuracy, and no end of patience, and

WHEREAS, the IIMC prepares its membership to meet these challenges of the diverse role of the Municipal Clerk by providing services and continuing education. The Certified Municipal Clerk or Master Municipal Clerk designation are only to those Municipal Clerks who complete demanding education requirements and who have a record of significant contributions to their local government.

NOW THEREFORE, BE IT RESOLVED that the Kannapolis City Council and by virtue of the authority vested in me as Mayor recognize the week of May 6 through May 12, 2018 as Municipal Clerks Week and further extend appreciation to our Municipal Clerk, Bridgette Bell for her 30 years of service as Municipal Clerk and to all Municipal Clerks for the vital services they perform and their exemplary dedication to the community they represent.



IN WITNESS WHEREOF I have set my hand and caused the Great Seal of the City of Kannapolis to be affixed this 23rd day of April, 2018.

Meton D. Hinnand



Office of the Mayor KANNAPOLIS, NORTH CAROLINA P R O C L A M A T I ON

INTERNATIONAL FIREFIGHTER APPRECIATION DAY May 4, 2018

WHEREAS, Firefighters dedicate their lives to protecting life and property, and the City of Kannapolis is proud to recognize these noble men and women for their courage and commitment; and

WHEREAS, Firefighters provide community support and information to promote safety, act as first responders, extinguish and control wildfires, and help dispose of hazardous waste; and

WHEREAS, each year in the United States, approximately one hundred Firefighters die in the line of duty and over eighty thousand injuries are reported; and

WHEREAS, these public servants respond to emergencies 24 hours a day, 365 days a year without hesitation and are involved in many community programs when not responding to emergencies, and

WHEREAS, today and throughout the year, the City honors the dedicated members of the Kannapolis Fire Department, who often risk their own lives to assist others during their time of need.

WHEREAS, May 4, 2018 is being recognized across the globe as *International Firefighter Day* and the City of Kannapolis joins in this worldwide celebration.

NOW, THEREFORE, BE IT RESOLVED that the Kannapolis City Council declare Thursday, *May 4, 2018* as *FIREFIGHTER APPRECIATION DAY* in the City of Kannapolis and publicly salute the service of our dedicated Firefighters in our community and in communities across the nation.



IN WITNESS THEREFORE, I have set my hand and caused the Great Seal of the City of Kannapolis to be affixed this 23rd day of April 2018.

Meton D. Hinnand



City of Kannapolis City Council Meeting April 23, 2018 Staff Report

TO:	Mayor and City Council
FROM:	Woody Chavis, Police Chief
TITLE:	2018 Citizen's Police Academy Graduation

A. Action Requested by City Council

None

B. Required Votes to Pass Required Action

Presentation Only, no action required

C. Background

The Citizen's Police Academy was designed to foster closer and meaningful relationships between the police department and the citizens we serve. We want these graduates to be ambassadors, not only for our department but for the law enforcement profession as a whole. As you all know, most citizens can only formulate their opinion of their local police department or law enforcement by what is broadcast by the media. Usually that is when there is a controversial issue or when the actions of an officer may be questionable.

This academy gives the students an insight into all aspects of our operations that most non-law enforcement don't get the opportunity to see or experience. It is one of the great ways that we can further promote transparency.

I am happy to stand before you this evening and honor a great bunch of people who were the members of our 5th academy. As with the previous classes we couldn't have picked a more diverse and committed bunch of citizens. I want to commend them for their enthusiasm, interest, and patience as we conducted the class. We covered a great deal of information and topic areas in a short period of time and tried to do it so that we provided them with good factual information while at the same time make it fun and interesting. We attempted to keep them involved, active, and give them practical hands on segments to improve the learning experience.

We gave them information that would provide them with a real-life perspective of the profession and our department.

It is an honor and a privilege to present to you the spring 2018 graduating class of the Kannapolis Police Department's Citizen's Police Academy.

Nancy Anthony	James Cable
Tracy Coleman	Jeanne Dixon
James Easley	Serena Edwards
Vicky Graham	James Haney
Beverly Lockhart	Brittany Quigley
Steven Sellers	Justin Tapp
Kathleen Tilgham	Donald Wagstaff

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 April 23, 2018 Staff Report

TO:Mayor and City CouncilFROM:Ernie Hiers, Fire ChiefTITLE:2018 Citizen's Fire Academy Graduation

A. Action Requested by City Council

Presentation Only, no action required

B. Required Votes to Pass Required Action

Presentation Only, no action required

C. Background

The Citizens Fire Academy is a ten-week course offered to residents of Kannapolis who would like to have a better understanding of our departmental operations and how we assist citizens when an emergency occurs. The academy also teaches the dangers of fire and how a person can protect themselves and their homes. The was the inaugural class for the Kannapolis Fire Department and we feel like the participants as well as the instructors really enjoyed the program.

We would like to express our appreciation to the Kannapolis Police Department as they provided assistance with this program since they have been doing this for a few years.

We ended up with a great group of citizens who were not only eager to learn more about our department but were also willing to participate in as many of the activities as they were able to. We as a department quickly learned that a lot of the things that we take for granted that everyone understood about the fire service is not always the norm for what public perception is. As the class went on the group worked well together and friendships were formed within the group all while learning more about the fire service at the same time.

It is our privilege to present to you the inaugural graduating class of the 2018 Kannapolis Fire Citizens Academy:

Participants:

Cathy Kaiser	Mike Kaiser	Tom Kincaid	Barbara Messick
Tyler Poole	Adrienne Talis	Lani Temple	Rebekah Watson
Ken Young			

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

1	DR		ROVED BY COUNCIL
2			ANNAPOLIS
3			ETING MINUTES
4		March	02, 2018
5			
6	6		2018 meeting of the City Council of the City of
7	▲ 1		7, March 02, 2018 at 3:00 p.m., at the Kannapolis
8 9	City Hall Executive Confere	ence Room located	at 401 Laureate Way, Kannapolis, NC.
9 10	CITY COUNCIL MEMBER	S PRESENT	
11	Mayor:	Milton D. Hinna	nt
12	5		
13	Council Members:	Ryan Dayvault	\sim
14		Roger Haas	
15		Van Rowell	
16		Diane Berry	
17		Doug Wilson	
18		Tom Kincaid	
19			
20	Council Members Absent:	None	
21			
22	City Manager:	Mike Legg	
23	Deverter Citer Management		
24 25	Deputy City Manager:	Eddie Smith	
23 26	City Clerk:	Bridgette Bell	
20 27	City Clerk.	blidgette ben	
28	City Attorney:	Walter M. Safrit,	Π
29	City Automey.	walter W. Saint,	11
30	Staff Present:	Tony Eury	Tina Cline
31		Gary Mills	Ernie Hiers
32	C	Trent Marlow	Wilmer Melton
33	~	Eric Davis	Irene Sacks
34		J.W. Chavis	Zac Gordon
35			
36	Visitors Present:	Brett Wood	Brett Gallagher
37			
38	CALL TO ORDER AND WI		
39	Mayor Hinnant reconvened the	e meeting continued f	rom February 26, 2018.
40			
41	PRESENTATION – Down	town Parking Stu	dy (Mike Legg, City Manager) (Copy included
42	as Exhibit A)		
43			pcoming retreat, this is the most complex and felt that
44			ed Brett Wood and Brett Gallagher of Kimley-Horn &
45	Associates for an overview of	the Downtown Parkin	ng Management Plan, Phase I-Inventory and Analysis.
46	Ma Wood 1. 1. (1. (D)	• Lie en eusle (*	d automobile define fotoge and in a line in the
47 48			d outreach to define future parking needs. Phase II is a

definition of parking management strategies and policies to support community growth. Mr. Wood gave a
 report on the current inventory of parking spaces, over 4,500. Mostly 3,147 (76%) are surface spaces with

268 structured (6%) and 737 on street (18%). Current ownership of the parking is mostly owned by the City
(43%), with 31% owned by Castle & Cooke and 26% remaining private. Based on supply and demand,
additional parking must be built to accommodate future demand. It is recommended that the downtown
management plan be implemented into three phases along with a game & event day schedule.

6 Phase I (2018-2023)

- Soft roll out of pricing and parking enforcement
- Implement Parking Ambassador Program
- Metered Parking is centered in downtown core
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Phase I recommendations also include the hiring of a Parking Administrator, customer centric parking enforcement, install parking meters in downtown core, educational and flexible based parking and enforcement (first three hours free), ease of use through wayfinding signage and branding. Cost estimates of \$100,000 annually include the installation of parking meters, purchase of four hand held enforcement devices, a parking administrator, four part-time Ambassadors, and wayfinding signage

17 Phase II (2023-2025)

- Most of the study area is metered
- Free-Parking beyond downtown
 - On-street downtown parking is now 2-hour limit
 - First three-hours policy reduced (as demand dictates)

Phase II recommendations include enhancing parking enforcement to patrol paid parking. Invest in a LPR vehicle for enforcement to increase staff efficiency and citation data. Begin outfitting parking garages with RFID permit technology and pursue shared parking agreements. Cost estimates of \$2,000 annually include license plate recognition vehicle, multi-space meters (14)m update time limit signage, Parking Administrator, Parking Enforcement and RFID Permits for Parking Facilities.

29 Phase III (2026-2028)

- No Time Limit parking is removed
 - Free-parking facilities should now be priced

Phase II recommendations include introduced residential parking permit program, if needed. Implement
smart parking applications to enhance and ease the parking experience Enhance enforcement levels to patrol
additional paid parking areas. Cost estimates of \$2,000 annually include license plate recognition vehicles,
Multi-space meters (15), update time limit signage, DMS Integration-ongoing software and hardware costs,
Parking Administrator, Parking Enforcement, RFID Permits for Parking Facilities.

Parking Administrator, Parking Enforcement, RFID Permits for Parking Facilities.
 38

The second part of the presentation is a Downtown Parking Management Plan that assesses current parking inventory and determines the parking supply required to accommodate projected future development within the Center City Zoning District and surrounding areas. An inventory of existing parking supply was conducted on April 5, 2017 that identified a total of 4,536 spaces in the study area.

- 42 conducte 43
- 44 The Downtown Parking Management Plan is broken down by three scenarios in increments of five years.
- 45 Scenario A 2017 2021 has 859 parking spaces in the 500 foot zone, 1036 parking spaces in the 650 foot
- 46 zone and 1,201 parking spaces in the 800 foot zone. A larger walking radius of 1,700 feet will provide 4,382
- 47 spaces. Scenario B 2022 2024 has 815 parking spaces in the 500 foot zone, 952 parking spaces in the
- 48 650 foot zone and 1,096 parking spaces in the 800 foot zone. A larger walking radius of 1,700 will provide
- 49 3,892 spaces. Scenario C 2025 2027 has 815 parking spaces in the 500 foot zone, 952 parking spaces
- 50 in the 650 parking zone and 964 parking spaces in the 800 foot zone.

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2	The question was asked about the downtown churches and if they would be charged for parking. It was not
3 4	recommended to charge churches on Sunday for parking. One solution could be to charge Monday through Friday from 10:00 to 5:00. Downtown parking on Sunday would be free of charge, unless there is an event.
5	Thay from 10.00 to 5.00. Downtown parking on Sunday would be free of charge, unless there is an event.
6	Mr. Legg concluded that no action is required tonight and the presentation is for information only, as this
7	is one of the topics for the retreat. Staff wants to be sure that Council is comfortable with the plan.
8	
9	There being no further business, Council Member Dayvault made a motion to continue the meeting to
10	Thursday, March 8, 2018 6:00 PM in the Council Chambers located at 401 Laureate Way, Kannapolis.
11	Motion was seconded by Council Member Wilson and approved by unanimous vote.
12	The meeting recorded at 4.45 DM on Eviden March 2, 2019
13 14	The meeting recessed at 4:45 PM on Friday, March 2, 2018.
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18	Milton D. Hinnant, Mayor
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22	Bridgette Bell, MMC, NCCMC
23	City Clerk
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1 2 3 4 5		NOT APPROVED BY COU CITY OF KANNAPOLIS NCIL MEETING MINUTE March 26, 2018	
5 6 7 8	A regular meeting of the City Cou Monday, March 26, 2018 at 6:00 p. Kannapolis, NC.	• •	
9			<i>,</i>
10	CITY COUNCIL MEMBI	ERS PRESENT:	
11	Mayor:	Milton D. Hinnant	$\mathbf{C}\mathbf{Y}$
12			
13	Council Members:	Ryan Dayvault	
14		Van Rowell	
15		Tom Kincaid	
16		Doug Wilson	
17		Dianne Berry	
18		Roger Haas	
19			
20	Council Members Absent:	None	
21	City Managar		
22	City Manager:	Mike Legg	
23 24	Deputy City Manager:	Eddie Smith	
24 25	Deputy City Manager.	Eddle Sillith	
26	City Clerk:	Bridgette Bell, MMC	
20	City Cicik.	bridgette Ben, White	
28	City Attorney:	Walter M. Safrit, II	
29	City ratoriey.	Viale VI. Suille, II	
30	Staff Present:	Annette Privette Keller	Sherry Gordon
31		Tony Eury	Wilmer Melton, III
32		Trent Marlow	Terry Clanton
33		Eric Davis	David Jordan
34		Tony Eury	Zac Gordon
35		Ernie Hiers	Gary Mills
36		Rick Barnhardt	Kevin Simpson
37			-
38	Visitors:	Marc Tiegel	KG Young
39		Donnie Lassiter	Ron Haithcock
40		Will Olivett	Christine Olivett
41		Chris Lemack	Kim Hall
42	7	Chip Mark	Marcus Marty
43		Mark Spitzer	Denae Hamblin
44		Mark Brown	Gina Brown
45		Apostle Beverly Lockhart	Bobbie Hague
46		Fred Roberts	Kymbra Lawson
47		Sophia Wilkerson	Jessica Touart
48		Bobby Touart	Lynn Muller
49 50		Bob Doty Miles Drive	Joe Hall
50		Mike Price	Sam Moore

1	Linda Moore Derek Moore
2	CALL TO ORDER AND WELCOME:
3	Mayor Hinnant called the meeting to order and welcomed those in attendance. A moment of silent
4	prayer and the Pledge of Allegiance was led by Council Member Wilson.
5	
6	ADOPTION OF AGENDA:
7	Council Member Dayvault made a motion to approve the agenda. Motion was seconded by Council
8	Member Kincaid and approved by unanimous vote.
9	
10	PROCLAMATIONS:
11	Mayor Hinnant proclaimed the month of April as Fair Housing Month.
12	
13	APPROVAL/CORRECTION OF MINUTES
14	Council Member Kincaid made a motion to approve the February 12, 2018 minutes. Motion was
15	seconded by Council Member Dayvault and approved by unanimous.
16	
17	Mayor Pro tem Berry made a motion to approve the Closed Session February 12, 2018 minutes.
18	Motion was seconded by Council Member Wilson and approved by unanimous.
19 20	
20 21	CONSENT AGENDA:
21	Mayor Pro tem Wilson made a motion to approve the Consent Agenda. Motion was seconded by
22	Council Member Dayvault and approved by unanimous vote.
23 24	Audit Contract for Fiscal Year beginning July 1, 2017 through June 30, 2018 (Eric Davis, Finance
24 25	Director) (Copy included as Exhibit A)
25 26	Director) (Copy included as Exhibit A)
20 27	FY 2017-18 HOME Program Project Budget Amendment (Sherry Gordon, Community Development
28	Administrator) (Copy included as Exhibit B)
29	rammistrator) (copy moraded as Example 19)
30	AwardofbidforCityofKannapolis2018ResurfacingContract(DirectorofPublic Works, Wilmer Melton,
31	III) (Copy included as Exhibit C)
32	
33	Budget Amendment for Gem Theatre Roof repair change orders (Irene Sacks, Director of Economic &
34	Community Development and Trent Marlow, General Services Director) (Copy included as Exhibit D)
35	
36	BUSINESS AGENDA:
37	Move Kannapolis Forward 2030 Comprehensive Plan Adoption (Zachary D. Gordon, AICP,
38	<u>Planning Director) (Copy included as Exhibit E)</u>
39	Mr. Gordon gave an overview of the proposed 2030 Comprehensive Plan.
40	\mathbf{N}^{\prime}
41	Over the last 16 months, hundreds of Kannapolis residents and stakeholders expressed their ideas
42	and aspirations to help shape the future of our city. Ideas were shared by residents at meetings, at
43	events and festivals, shopping centers, churches and other areas where city staff and Clarion
44	Associates, who assisted the City with the process, gathered to receive input.
45	
46	This community-driven process established a renewed vision that will serve as a blueprint for the
47	shared future of the community. Three key themes came out of input by the community. These
48	themes include the aim for Kannapolis to be vibrant and connected, fiscally and economically
	City Coursell Mineter

1 balanced, and healthy and active. The themes are used in the plan as a guide for future actions and

2 investments by the City. The plan focuses on improving the framework for guiding land

3 development and related transportation system improvements to create a more walkable and

- 4 livable City.5
- 6 This plan establishes the city's broadest public policy document, setting forth the long-range
- 7 vision, goals, and policies and actions for transportation, housing, development, the environment,
- 8 Economy and public services.
- 9
- 10 Mr. Gordon stated that the adoption of the Move Kannapolis Forward 2030 Comprehensive Plan
- 11 is a major achievement and represents the consensus of community stakeholders, property owners
- 12 and elected officials for development of Kannapolis over the next 10 -15 years. The 2030 Plan is
- the City's first true comprehensive plan since its incorporation in 1984 and will provide elected officials, property owners and those who want to develop in Kannapolis, with clear direction on
- 15 what, where, when and how development may occur.
- 16
- 17 The Coddle Creek watershed now falls in Neighborhood Transition Area I and includes areas that 18 have developed over time into low-density residential neighborhoods. Existing neighborhoods will
- 19 maintain their character, although there are opportunities to enhance these places with additional
- 20 connectivity, bicycle and pedestrian amenities, parks and open space, and sidewalks. New
- 21 developments will provide appropriate transitions to existing adjacent development and home.
 22 Transitions between exiting and new developments can incorporate visual screenings through
- natural buffers and larger sized lots along the boundary of developments and major roadways.
- 24
- The Neighborhood Transition Area I keeps a minimum of three units per acre with average lot sizes of 15,000 square feet, double the proposed minimum lot size.
- 27
- Following general discussion, Council Member Dayvault made a motion to approve a Resolution
 to adopt the Move Kannapolis Forward 2030 Comprehensive Plan. Motion was approved by
 Council Member Haas and approved by unanimous vote.
- 31

32 <u>Public Hearing for Use of CDBG Program Funds FY 2018-19 (Sherry Gordon, Community</u> 33 <u>Development Program Administrator) (Copy included as Exhibit F)</u>

- Each year the City must present within its Annual Action Plan submittal to HUD a defined work program for the funding level being sought. The City will submit its action plan to HUD by May 15th. The plan is being made available to the public for a 30-day period which will end on April 11th. The public hearing allows the City to receive citizen comments or questions on the use of the FY 2018-19 Community Development Block Grant (CDBG) funds.
- 39
- The City expects to receive \$336,305 in CDBG funds in FY 2018-19 (July 1, 2018 June 30,
 2019). Please note that if the funded amount changes the line items below will be adjusted. It is
 recommended that the following activities be undertaken with the FY 2018-19 funds:
- 43

44	Infrastructure Improvements	\$88,000
45	Demolition	\$20,000
46	Urgent Repair	\$54,141
47	Section 108 Loan Repayment	\$56,903
48	Public Services	\$50,000

1 General Admin/Fair Housing

\$67,261

Council Member Rowell asked how the consortium communicated. Mrs. Gordon explained that
Concord is the lead agency and the consortium is comprised of nine jurisdictions. Quarterly
meetings are held to determine the guidelines and by-laws as to how the funding will be distributed.

- 5
 6 There being no further questions or comments, Mayor Hinnant opened the public hearing to those in
 7 attendance for an opportunity to speak. There being no speakers, Mayor Hinnant closed the public
 8 hearing.
- 9
- 10 Council Member Dayvault made a motion to approve the use of the CDBG Program Funds for FY 2018-
- 11 2019. Motion was seconded by Mayor Pro Tem Berry and approved by unanimous votes
- 12

Public Hearing for Use of HOME funds for FY 2018-19 (Sherry Gordon, Community Development ProgramAdministrator) (Copy included as Exhibit G)

The City is anticipating receiving \$115,638 from the Cabarrus/Rowan/Iredell HOME Consortium in fiscal year 2018-19 (July 1, 2018 - June 30, 2019). We will also receive \$13,385 in program income which will come from loan payment from the Villas at Forest Park Ioan. HOME funds will total \$129,023. A twenty-five percent (25%) in local match is required to receive the program

- 19 funds and will be provided by carryover funds that we have from previous years.
- 20

The City joined the regional HOME Consortium in 2002 to receive these Entitlement HOME funds. The HOME program is a housing program under HUD, yet a different program entirely from CDBG. Under the HOME program, the emphasis is primarily on affordable housing; whereas, with CDBG a variety of activities such as economic development, street paving, infrastructure improvements, etc. are eligible. Both programs must benefit low to moderate income citizens.

20 27

The City is required to conduct a public hearing to receive citizen comments and questions about the use of HOME funds each year. The City of Concord, lead agent for the Consortium, will then submit the annual action plan for the HOME program to HUD by May 15, 2018.

31

The City will use the FY 2018-19 allocation to continue efforts to improve housing stock. The City will rehab (1) homeowners dwelling that is on our waiting list. The City will partner with Habitat for Humanity to construct a new dwelling for a family currently on their waiting list and provide down payment assistance to (2) first time homebuyers. The City will partner with a local non-profit agency to purchase and rehab a dwelling to be used for transitional housing.

37

38 It is recommended that the following activities be undertaken with the FY 2018-19 HOME funds:

39		
40	Purchase & Rehab Dwelling	\$69,023
41	Rehab (1) Homeowner Dwelling	\$30,000
42	Construct New SFD w/Habitat	\$20,000
43	Down payment Assistance	\$10,000

43 44

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

- 46
- 47 Marc Tiegel is a candidate for the eighth Congressional District. He thanked Council for the extra

48 efforts on the HOME grants.

2 There being no further speakers, Mayor Hinnant closed the public hearing.

Council Member Haas made a motion to approve the use of the HOME Program Funds for FY
2018-2019. Motion was seconded by Council Member Kincaid and approved by unanimous vote.

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1

7 Public Hearing - Text Amendment 2018-02 (Zachary D. Gordon, AICP, Planning Director) 8 (Copy included as Exhibit H)

9 Currently the UDO requires all outdoor storage yards to be screened with a Type C (Type 3) buffer 10 yard with opaque screening. (Section 11.1.2.1.2.) The UDO also has a limitation on what type of 11 material can be used to screen an outdoor storage yard, including chain link fence, with or without 12 slats of metal or wood. (Section 11.1.2.1.5.) The next section of the ordinance states that screening 13 materials shall be durable, weather-proof, and permanent. (Section 11.1.2.1.6.) These two 14 conflicting standards have caused confusion for some property owners. The proposed amendment 15 includes the following changes:

- 16
- 17 Removal of the requirement of a Type 3 buffer yard around an outdoor storage area
- Requirement that outdoor storage areas shall be screened where visible from a public or
- private right-of-way, as well as where visible from a residential zoned or used property
 Removing the prohibition of chain-link fences with slats as an allowed screening type
- Removing the prohibition of chain-link fences with stats as an allowed screening the Adding a prohibition against chain-link fences with fabric mesh
- Removing the language of enclosure in Section 11.1.2.1.6., replacing with screening to
 better match the existing language in Section 11.1.2
- Renumbering of Section 11.1, as the numbering in the current print and digital versions of
 the ordinance is incorrect
- 26

Staff is recommending the removal of the requirement for a Type 3 buffer yard around an outdoor storage area because nearly every non-residential zoning district has a buffer requirement already, with the exception of I-1 and I-2 properties which are abutting another I-1 or I-2 parcel. This creates a situation where a property owner is required to install two buffer yards, essentially buffing the storage area from the rest of their property.

Furthermore, staff is recommending amending the current requirement that an outdoor storage area is fully screened by an opaque fence. Staff believes that requiring a property to screen their outdoor storage area from themselves serves little interest to the public and surrounding neighbors; and can be costly to install. It is recommended that the ordinance be amended to only require opaque screening where the storage area is visible from a public or private right-of-way, as well as from abutting residential zoned or used properties.

- Staff believes these proposed amendments will bring clarity to property owners as well as City staff about the screening requirements for outdoor storage areas. These proposed amendments also comply with the recommended strategies of the 2015 Land Use Plan of "easing regulations and policies where commercial/industrial rehabilitation, re-use and occupancy is involved" as well as "favoring protection of neighborhood integrity in the land development process". (2015 Land Use Plan, p. 2)
- 46
- The Planning and Zoning Commission voted at its March 7th meeting to recommend adoption of
 TA #2018-02 by City Council.

- Mayor Hinnant opened the public hearing to those in attendance for an opportunity to speak. There
 being no speakers, Mayor Hinnant closed the public hearing.
- 4
- Mayor Pro tem Berry made a motion to approve a Resolution adopting a Statement of Consistency.
 Motion was seconded by Council Member Kincaid and approved by unanimous vote.
- 7

8 Council Member Dayvault made a motion to approve an Ordinance amending the text of UDO,
9 Section 11.1.Outdoor Storage and Solid Waste Screening. Motion was seconded by Council
.0 Member Haas and approved by unanimous vote.

10 11

Public Hearing - Minimum Housing Code - 117 Fort Worth Avenue Cabarras County Parcel Number 5623-27-3569 - (Zachary D. Gordon, AICP Planning Director) CONT INVED FROM NOVEMBER 13, 2017 (Copy included as Exhibit I)

The substandard condition of the house at 117 Fort Worth Avenue was first identified as violating 15 the Minimum Housing Code in May of 2016. Since then City staff have made several attempts to 16 17 have the house repaired. Phone calls to the owner of the property were not returned, with staff following up with visits to the owner's house. During subsequent discussions, the owner indicated 18 19 an interest in repairing the house, but no repairs were initiated. An interior inspection of the 20 property was scheduled for November 22, 2016, at which no parties of interest were present and no calls to reschedule the inspection were received. The inspection was later conducted on January 21 22 31, 2017, after City staff obtained administrative search warrant to enter the house. Current records 23 show that no permits have been obtained for work to be done on the house. According to water records the house has been without water since April of 2008. Tax records show that including the 24 25 2017 taxes to be owed, a total of \$993.93 is due for 2015 (partially paid), and 2016. All 26 requirements of the Minimum Housing Code have been followed by staff. The deadline to repair 27 or demolish the house was May 15th 2017.

28

The cost to repair the severely damaged roof, interior flooring, to replace windows, and other related items is expected to exceed \$9,600, which is fifty percent of the tax value of \$19,200. The owner, or representative for the owner is expected to be at the Kannapolis City Council Meeting when this case is heard. At its November 13, 2017 meeting, the property owner requested more time to make the necessary repairs to bring this structure into compliance with the Residential Building Code. City Council voted to continue discussion of this case until March 31, 2018.

Building Code. City Council voted to continue discussion of this case until March 31, 2018.
 35

Since November, no additional work has been completed on this home by the owner. Funding is available in the Planning Department budget. The expected cost to demolish the house is approximately \$2,500 plus the cost to remove any asbestos found during an inspection.

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

43

44 Council Member Dayvault made a motion to approve an Ordinance directing the Housing Code was45 seconded by Council Member Wilson and approved by unanimous vote.

46

47 <u>Resolution to accept the March 2018 Water Shortage Response Plan (Wilmer Melton, III,</u> 48 <u>Director of Public Works) (Copy included as Exhibit J)</u>

- The March 2018 Water Shortage Supply Plan and the procedures therein have been updated and 1 2 upon City Council's approval will be submitted to the State that provides for reductions in water 3 demand and protocol for supplementing existing drinking water sources in the event of inadequate supply to meet demands. North Carolina General Statute 143-355 requires that each unit of local 4 5 government approve a resolution formerly adopting their Water Shortage Response Plan. 6 7 Prior to Council taking action on the Water Shortage Response Plan, customers shall have the 8 opportunity to comment on the provisions of the Plan. There has been no changes since our original 9 approval in 2009. 10 11 The question was asked about the use of the CTC Blackboard System that is mentioned in the 12 report. Mr. Legg responded it was alright to leave it in the report. 13 14 Council Member Rowell asked how the water is metered. Mr. Melton responded to Mr. Rowell's 15 question. 16 17 Mayor Hinnant opened the public hearing to those in attendance for an opportunity to speak. There 18 being no speakers, Mayor Hinnant closed the public hearing. 19 20 Council Member Rowell made a motion to approve a Resolution to accept the March 2018 Water Shortage Response Plan. Motion was seconded by Council Member Haas and approved by 21 22 unanimous vote. 23 Approval of the Guaranteed Maximum Price (GMP) Contract for Fire Station #2 and #3 (Ernie 24 Hiers, Fire Chief) (Copy included as Exhibit K) 25 26 For numerous years, the construction of a new Fire Station #2 has been a priority of the Kannapolis Fire Department. The current plan would be to demolish the existing Station #2 and construct a 27 new facility on the same property located at 819 Richard Avenue. The intent of the Fire 28 Department is to utilize a temporary facility located at 316 S. Main St. (old CID house) while the 29 30 new Station #2 is constructed. Additional land was also purchased for a future storage facility. 31 32 Originally, the plan for Fire Station #3 (2209 Florida Avenue) was to remodel in Fiscal Year 2021, 33 however due to substantial on-going roofing issues and water damage, personnel has been re-34 located to a temporary mobile structure at the same location. The plan is to construct a new facility 35 at 1793 Concord Lake Road where land has already been purchased. 36 37 The final Guaranteed Maximum Price (GMP) between Monteith Construction Corporation and the 38 City of Kannapolis for the construction of Fire Station #2 and #3 is \$10,016,270. The funding 39 needed above this amount up to the \$12 million figure will cover all soft costs (architecture, 40 furniture, fixtures and equipment, etc.). Upon City Council approval, the completed funding package will be submitted to the Local Government Commission (LGC) for approval at its April 41 42 10, 2018 meeting. Once LGC approval is obtained, the City can execute contracts and issue the 43 Notice to Proceed to Monteith for the construction of both Fire Stations. The total project cost for 44 both Fire Stations #2 and #3 will not exceed \$12,000,000. The City plans to issue Limited 45 Obligation Bonds to finance this project. 46
- In working with our Financial Advisors and Bond Counsel, the City has an agreement with Capital
 One Public Finance to hold the debt for twenty years (20) at a rate of 3.97%. This is a very

- competitive rate for this type of project in this construction environment. The City has budgeted
 for the debt service payments on this project.
- 3
- Council Member Dayvault asked if the building on Floyd Street would be renovated or
 demolished. Mr. Legg responded that once the new station is constructed, the matter would come
 back before Council for consideration. In his opinion the building needs to be demolished.
- 6 7
- 8 Council Member Kincaid made a motion to approve the Guaranteed Maximum Price (GMP) with 9 Monteith Construction Corporation for the construction of Fire Station #2 and #3 in the amount of 10 \$10,016,270 and authorize the City Manager to execute the contract contingent upon the approval 11 by the Local Government Commission (LGC). Motion was seconded by Council Member
- 12 Dayvault and approved by unanimous vote.
- 13

Budget Amendment #18-13 Regarding Fire Station Improvements (Eric Davis Finance Director and Ernie Hiers, Fire Chief) (Included as Exhibit L)

For numerous years, the construction of a new Fire Station #2 has been a priority of the Kannapolis Fire Department. The current plan would be to demolish the existing Station #2 and construct a new facility on the same property located at 819 Richard Avenue. The intent of the Fire

19 Department would be to utilize a temporary facility located at 316 S. Main St. (old CID house)

while the new Station #2 is constructed. Additional land was also purchased for future storage

21 facility. Cost for these additions and this re-location is included in this amendment.

22

23 Originally, the plan for Fire Station #3 (2209 Florida Avenue) was to remodel in Fiscal Year 2021,

however due to substantial on going roofing issues and water damage, personnel has been re-

25 located to a temporary mobile structure at the same location. The current plan is to construct a new

26 facility at 1793 Concord Lake Road where land has already been purchased. Lease cost for the

27 temporary mobile structure and the land purchase is included in this amendment. Approval of this

- 28 Budget Amendment is required so that the City can complete the current scope of work for these
- 29 two new structures.
- 30

31 Mayor Pro tem Berry made a motion to approve Budget Amendment #18-13 Regarding Fire

- 32 Station Improvements. Motion was seconded by Council Member Wilson and approved by 33 unanimous vote.
- 33 t

35Resolution Amending the Installment Financing Contract with the Kannapolis Capital36Corporation (Eric Davis, Finance Director) (Included as Exhibit M)

Approval of this Resolution is required in order to complete the financing for the construction of
 Fire Station #2 and #3. The total project cost for the two station should not exceed \$12 Million.

39

- 40 Council Member Wilson made a motion to approve the Resolution amending the Installment Financing
- 41 Contract with the Kannapolis Capital Corporation. Motion was seconded by Council Member
- 42 Dayvault and approved by unanimous vote.
- 43

44 <u>Resolution Approving Three Party Contract for Road Improvement Grant at Project</u> 45 <u>Hercules (Walter M. Safrit, II City Attorney and Wilmer Melton, III, Director of Public Works)</u>

46 (Included as Exhibit N)

In August of 2017, the City approved an economic incentive grant for the project known as theAmazon project for certain street and infrastructure improvements at its site near Kannapolis

Parkway and Highway 73. Subsequently, the NC Department of Commerce and NCDOT made a
 similar grant for road and highway improvements up to \$2,700,000 on Kannapolis Parkway,
 Highway 73, Barr Road, Macedonia Church Road and I-85. However NCDOT requires the
 municipality where the project is located act as the administrator of the funds for distribution to

- 5 the Developer as the project is completed and accepted. The "Locally Administered Project State
- 6 Economic Development Agreement" presented to Council is a three party agreement among
- 7 NCDOT, the City and the Developer and provides the legal framework for design and construction,
- 8 funding and management of the road improvement project.
- 9
- 10 The approval of this Resolution will allow the City to accept funds toward the support of this 11 project.
- 12
- 13 City Attorney Safrit added that the NCDOT has a policy they will not directly finance the
- 14 construction with the development. Therefore, the City is acting as a conduit in handing the funds
- and ensure the project is done in accordance with state and local requirements. Then the City wouldbe allowed to disburse the funds.
- 16 17
- 18 Council Member Haas made a motion to approve a Resolution Approving Three Party Contract
- 19 for Road Improvement Grant at Project Hercules. Motion was seconded by Council Member
- 20 Kincaid and approved by unanimous vote.
- 21

22 <u>Amend City Fee Schedule for Gym Usage (Gary Mills, Parks & Recreation Director)</u>

23 (Included as Exhibit O)

- 24 Mr. Mills recalled at the last meeting, Council expressed concerns on the fee for use of the gym.
- 25 The P&R Department looked to add "open gym" times in various gymnasiums where the public
- 26 can come play at no cost pending approval of additional part-time staff in the FY19 budget. Mr.
- 27 Mills said pending the approval of the city school system and budget approval of staffing and 28 equipment, would begin the next fiscal year.
- 28 29
- Council Member Dayvault made a motion to approve the City Fee Schedule for Gym usage.
 Motion was seconded by Council Member Wilson and approved by unanimous vote.
- 32
- 33 **<u>CITY MANAGER REPORT</u>**: None
- 34
 35 <u>CITY COUNCIL COMMENTS:</u> None
- 36
- 37 **SPEAKERS FROM THE FLOOR**: No speakers

3839 CLOSED SESSION:

- Mayor Pro tem Berry made a motion that Council go into closed session pursuant to GS. 143-318.11 (a) (3) to consult with an attorney in order to preserve the attorney client privilege and G.S. 143.318.11 (a) (4) for discussing matters relating to the location or expansion of industries or businesses in the area. Motion was seconded by Council Member Wilson and approved by
- 44 unanimous vote.
- 45
- 46 Council went into closed session at 7:00PM.
- 47

1 2		n to come out of closed session. Motion was seconded by notion and it was approved by unanimous vote.
3 4 5	There being no further business, Council seconded by Council Member Wilson an	Member Kincaid made a motion to adjourn. Motion was ad approved by unanimous vote.
6 7 8	The meeting adjourned at 8:50 PM on M	londay, March 26, 2018.
9 10 11 12		
13 14 15	Bridgette Bell, MMC, NCCMC City Clerk	Milton D. Hinnant Mayor
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	DRAH AU	



City of Kannapolis City Council Meeting April 23, 2018 Staff Report

TO:	Mayor and City Council
FROM:	Eric Davis, Finance Director
TITLE:	Approve Budget Amendment 18-16; Closing the Village Park Phase 3 Capital Project Fund

A. Action Requested by City Council

Motion to approve an Ordinance amending the budget closing the Village Park Phase 3 Capital Project Fund (Amendment #18-16)

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

The Kannapolis City Council initially created the Village Park Phase 3 improvements in 2015. Improvements consisted mainly of the acquisition and installation of a Carousel and building, as well as a water feature adjacent to the building. All planned items have been constructed and / or installed. There are some monies remaining that will be transferred back to the City's General Fund, while the Capital Project Fund is closed out.

D. Fiscal Considerations

The final budget for Phase 3 improvements at Village Park was \$1.65 million. There is \$64,319 that was unspent. Upon closure of the Capital Project Fund, the remaining dollars will be transferred to the City's general fund for use in various areas including Parks Contracted services.

E. Policy Issues

None

F. Legal Issues

All proposed expenses have been completed. Closing the Capital Project Fund is the routine next step.

G. Alternative Courses of Action and Recommendation

- 1. Approve Budget Amendment 18-16; Closing the Village Park Phase 3 Capital Project Fund (Recommended)
- 2. Do not approve Budget Amendment 18-16
- 3. Table action to a future meeting

ATTACHMENTS:

File Name

Budget_Amendment_#18-16_Closing_Village_Park_Phase_3.pdf

ORDINANCE AMENDING BUDGET FOR THE CITY OF KANNAPOLIS, NORTH CAROLINA FOR THE VILLAGE PARK PHASE III CAPITAL PROJECT FUND Amendment # 18-16

BE IT ORDAINED by the City Council of the City of Kannapolis, North Carolina meeting in open session this 26th day of June 2017, that the following amendment to the Project Ordinance for the City of Kannapolis, North Carolina is hereby adopted:

SECTION I - EXPENDITURES

\$36,900
\$5,229
\$32,648

Increase Transfer to General Fund 22590-57000 \$64,319

SECTION II - GENERAL FUND

Increase Transfer from Project Funds 19000-39200	\$64,319
Park Contracted Services 15010-48000	\$15,000
Planning Contract 14000-48610	\$18,000
Capital Machinery & Equipment 11400-59500	\$31,319

This ordinance is approved and adopted this 23rd day of April, 2018.

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC City Clerk



City of Kannapolis City Council Meeting April 23, 2018 Staff Report

TO:	Mayor and City Council
FROM:	Mike Legg, City Manager
TITLE:	State of the County Health Report

A. Action Requested by City Council

Presentation Only. No Action Required

B. Required Votes to Pass Required Action

Presentation Only, no action required

C. Background

Marcella Beam, Executive Director, Healthy Cabarrus for the Cabarrus Health Alliance will present the 2017 State of the County Health Report

D. Fiscal Considerations

None

E. Policy Issues

None

F. Legal Issues

None

G. Alternative Courses of Action and Recommendation

No Action Required.

ATTACHMENTS:

File Name

FINAL_Online_-_2017_Cabarrus_SOTCH.pdf



Cabarrus County 2017 State of the County Health Report

IN THIS ISSUE

Review Priority Health Issues Priority Issue Progress Update Changes in the County Updated Health Data Mortality and Morbidity Data Get Involved Identifying priority health issues and assessing the health and human services needs of community residents is an ongoing process that engages multiple agencies, providers, and individuals. These stakeholders identify community assets and strengths, in addition to unmet needs. A formal assessment process is undertaken every four years under the leadership of Cabarrus Health Alliance and Healthy Cabarrus.

For the complete Community Needs Assessment report, visit www.healthycabarrus.org/data.

Cabarrus County

Located in south central North Carolina, Cabarrus County spans an area of 364.39 square miles and is bordered by Stanly, Union, Mecklenburg, Iredell, and Rowan counties. Cabarrus is largely urban, but includes a significant number of rural pockets across the county. Cities and towns in Cabarrus include Concord, Harrisburg, Kannapolis, Mount Pleasant, and Midland.

Self-branded as the Center of American Motorsports, Cabarrus County is well known for its NASCAR industry which includes the Charlotte Motor Speedway and several major race shops. Cabarrus is also home to the NC Research Campus, and Concord Mills Mall, the largest tourist attraction in North Carolina.





Review of Our Priority Health Issues

Cabarrus County conducted an extensive Community Needs Assessment in 2016 to determine community priorities for 2016 -2020. Data was collected from a consumer household survey of 1,891, 102 key informant surveys, as well as participation by 17 Cabarrus County youth, between the ages of 12 and 18, in a PhotoVoice project. The Community Planning Council was comprised of representatives from social services, transportation, government, healthcare, business, education, law enforcement, and members of the general community.



Wellness -



Mental Health



Substance Use -

Priority Issues Progress Update

Substance Use



• Six Community Conversations were hosted collectively by the Cabarrus County Sheriff's Office, Concord Police Department and Kannapolis Police Department, with over 200 citizens being educated on the • dangers of opioid use and provided

information on substance use resources in Cabarrus County.

- Seven local pharmacies partnered to host a county wide National DEA Take Back event on Saturday October 28, 2017 at several locations. The joint event collected 175 pounds of medication.
- Received five-year Drug Free Communities grant to address Mental Health youth substance use, specifically underage drinking and prescription medication misuse. The grant will support coalition capacity building, increased promotion and awareness of the harms of underage drinking as well as safe storage and disposal of unused or expired medications.
- Healthy Cabarrus Substance Use Coalition and Center for Prevention Services provided 200 Deterra[™] medication disposal pouches to Cabarrus County EMS - Community Paramedics.
- Cabarrus County Schools received more than \$90,000 from . Cabarrus County's ABC Board. The funds support alcohol and other substance use prevention and intervention across all schools in the district. Efforts included updates to the Positive Alternatives to Student Suspension (PASS) curriculum, as well as community, parent and teacher training opportunities.
- Cabarrus County's Channel 22 developed a local opioid PSA

that ran before every movie for 5-weeks in Carolina Mall, reaching nearly 22,000 people.

- Cabarrus County Schools conducted the 2017 Cabarrus Youth Substance Use Survey to assess student attitudes and behaviors towards substance use.
- Cabarrus Health Alliance partnered with Cabarrus County Meals on Wheels Program to provide informational brochures on safe storage of prescription medications and drop box locations.
- Partnered with Cannon Pharmacy to provide Deterra™ medication disposal pouches, medication lock boxes and drop box location information to their home health workers.

• Cabarrus County Commissioners and County Manager Mike Downs created the Mental Health Advisory Board and convened over 25 partners in the field who can directly impact mental health in Cabarrus County. The Advisory Board

created the Mental Health Task Force which consists of three work groups: Access to Care, Crisis Response, and Public Awareness.

- Cabarrus County Sheriff's Office adopted the SteppingUP Initiative
- By contracting with Daymark Recovery Services, Cabarrus County Sheriff's Office hired a full-time case manager for the Cabarrus County Jail. Through this position all inmates upon book-in receive a mental health and substance use assessment. Upon release the case manager assist, with necessary treatment and community services.

- Carolina's HealthCare System partnered with Cabarrus County EMS – Community Paramedics to develop plans for conducting home visits for high risk behavioral health patients after being released from the Emergency Department.
- Cabarrus County EMS Community Paramedics have been trained in Crisis Intervention Training and Mental Health First Aid.
- In an effort to reduce the stigma associated with mental illness, Cabarrus County Channel 22 began airing Mental Health America's anti-stigma PSA.
- Participation by local elected officials in the Mental Health First Aid (MHFA) training. A MHFA planning committee was convened to develop an annual county training schedule.

Childhood Obesity

• Carolinas HealthCare System NorthEast, a long-standing • partner and supporter of Healthy Cabarrus, created the Children Wellness Initiative Network or Children WIN. The group is comprised of executive-level community representatives including school superintendents, city managers, health officials and members of the

business community to address the rising number of overweight and obese children in our community.

- The Cabarrus Partnership for Children received \$1,500 from the Dunford Fund to develop the Cabarrus 'Play and Grow Map'. The child-friendly map illustrates physical activity and nutrition activities such community gardens, parks and playgrounds to help children and families establish healthy habits for life.
- With support from Carolinas HealthCare System, 50 school nutrition site managers, directors and healthcare volunteers were trained in the principles of Smarter Lunchrooms Movement. Smarter Lunchrooms is a curriculum developed by the Cornell University. The program aims to use the principles of behavioral economics to encourage students to make healthier choices in the school lunch line.
 - Thirteen of those trained will serve as Technical Assistance Providers for the school nutrition site managers.
- The Cabarrus Health Alliance's Cabarrus Healthy Corner Store initiative partnered with Cooking Matters to host grocery store tours and a healthy recipe taste testing at participating healthy corner stores. More than 104 community residents, at eight different corner store

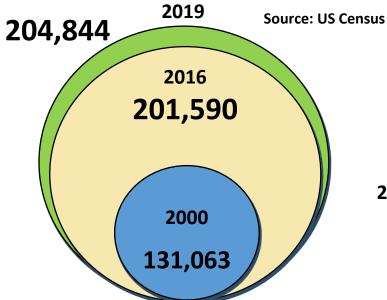
locations, participated in this effort.

- Created or revitalized eight elementary school gardens: AT Allen, Beverly Hills, Forest Park, Jackson Park, Rocky River, Shady Brook, Wolf Meadow, and Woodrow Wilson. School gardens can help combat obesity by increasing knowledge and exposure to fresh fruits and vegetables.
- In an effort to limit or eliminate children's consumption of sugary beverages, a total of 1,000 - 5210 branded water bottles were distributed to six Cabarrus County pediatric offices to be distributed to children during wellchecks.
- Since 2015, at total of 11 schools have worked with Cabarrus Health Alliance and the NC Active Routes to School Regional program to create school based Safe Routes to School Action Plans. In 2017, three sites developed plans and prioritized implementation strategies.
- Carolina's HealthCare System completed rebranding of Healthy Together 5210. Harris Road Middle School implemented 5210 during the 2017-2018 school year.
- A CDC Public Health Associate, stationed at Cabarrus Health Alliance, assessed 23 elementary and middle schools for 5210 implementation readiness by identifying success and challenges to school based nutrition and physical activity programming or policies.
- 62% of pediatric offices are utilizing the Healthy Together
 5210 Questionnaire and Prescription Pads during child well-check appointments.
- More than 200 'Re-Think Your Drink' water promotion posters were disseminated into Cabarrus County. Locations include Cabarrus County Government Center, Cabarrus County Active Living and Parks, libraries, Cabarrus Partnership for Children, Carolinas HealthCare System (Atrium Health).



Changes in Our County: Dynamic Growth

POPULATION CHANGE SINCE 2000



Cabarrus County's population has seen consistent growth over two decades. Between 2010 and 2016, Cabarrus County's population increase by 13.2 percent. In comparison, North Carolina's population increased by only 6.4% . According to a salary study completed by School Efficiency Consultants, Cabarrus County's projected 2019 total population is 204,884 with an annual growth of 1.6 percent.

Prior to 2010, the Hispanic community was the fastest growing population in Cabarrus County. For the past eight years, the Hispanic population has remained steady at 10%, while the African American population continues to see slight increases and the White population has seen a 10% decline.

2016 POPULATION BY AGE

0—14 years old	42,997 (21.3%)
15—24 years old	25,538 (12.7%)
25—39 years old	38,688 (19.2%)
40—59 years old	57,774 (28.7%)
60—79 years old	27,130 (14.5%)
80+ years old	5,784 (2.8%)

2016 POPULATION BY RACE & ETHNICITY

White	137,547 (68.2%)
African American	35,440 (17.5%)
Hispanic	20,289 (10%)
Other Non-Hispanic	8,214 (4%)

2016 POPULATION BY SEX

Male	98,041 (48.6%)
Female	103,549 (51.4%)

RACE AND ETHNIC DIVERSITY

	2010	2016
White	79%	68.2%
African American	15%	17.5%
Hispanic	10%	10%





Substance Use

Adolescence is a critical time for prevention of a substance use disorder. Early misuse of substances changes the way the brain functions, which can lead to addiction and other serious problems. In October 2017, Cabarrus Health Alliance and the Healthy Cabarrus Substance Use Coalition was awarded the Drug Free Communities grant from the Substance Abuse and Mental Health Services Administration (SAMHSA). The funding will support focused prevention efforts on adolescent use of alcohol and prescription medications. According to the Cabarrus Youth Substance Use Survey, in 2017 prescription medication use among high school and middle school students hit a four-year low. Alcohol use among high school students saw nearly a 10% decline.

Cabarrus Youth Substance Use Survey

Substance	Middle School % Ever Use			High School % Ever Use				
	2014	2015	2016	2017	2014	2015	2016	2017
Alcohol	14.0 %	17.1 %	13.4 %	14.5 %	40.0 %	46.1 %	49.6 %	40.3%
Marijuana	5.0 %	7.1 %	4.5 %	4.9 %	26.0 %	34.6 %	37.3 %	31.6 %
Cigarettes	5.0 %	3.8 %	3.8 %	2.6 %	16.2 %	21.3 %	17.7 %	13.8 %
Cocaine	0.5 %	1.1 %	0.8 %	0.9 %	1.5 %	2.7 %	3.9 %	1.6 %
Inhalants	8.2 %	6.6 %	4.1 %	5.4 %	4.2 %	6.9 %	5.9 %	3.3 %
Heroin	0.1 %	0.3 %	0.3 %	0 %	0.2 %	0.6 %	0.8 %	0.9 %
Methamphetamines	0.5 %	0.6 %	0.3 %	0.2 %	0.3 %	1.1 %	1.1 %	0.7 %
Ecstasy	0.1 %	1.0 %	0.9 %	0.5 %	3.2 %	4.4 %	5.1 %	3.2 %
Steroid Pills/Shots	2.3 %	2.0 %	2.3 %	2.2 %	2.1 %	3.7 %	3.8 %	3.1 %
Prescription Drugs (OxyContin, Hydrocodone, Percocet, Vicodin, Adderall, Ritalin, Valium, or Xanax)	3.5 %	3.3 %	4.5 %	2.7 %	11.2%	13.7 %	15.1%	9.6 %

Naloxone

Naloxone is medication that is used to reverse the effects of an opioid overdose. During July and August 2017, Cabarrus County saw more opioid related Emergency Department admissions than any other county in the state. The tables to the right show the total number of substance use complaint calls that Cabarrus County EMS responded to in 2016 compared to 2017, as well as total number of Narcan (or Naloxone) kits administered. Cabarrus County Schools

Cabarrus County EMS Calls for Services

	2016	2017
Substance Use Related Calls	521	649
Opioid Specific Calls	163	437
		1 0 5140

Cabarrus County EMS

	2007	2012	2017
# of Narcan Use by EMS	117	240	420

Mental Health



Mental illness or poor mental health have the potential to impact any and all families in Cabarrus County. Mental health problems are common, but when adequate help and care are available, community members do not rely on the Emergency Department for services. According to the North Carolina Disease Event Tracking and Epidemiologic Collection Tool (NC DETECT) the number of ED admissions associated with *suicide and self-harm* have tripled from 2015 to 2017. Of those admissions, nearly a quarter are individuals 18 years or younger.

	2015	2016	2017
Suicide and Self Harm	92	238	270
Suicidal Thoughts	435	292	246

Source - NC DETECT

Learn More, Get Involved

For an electronic copy of the State of the County Health Report visit <u>www.healthycabarrus.org</u>. To get involved in community efforts contact Marcella Beam, Healthy Cabarrus Executive Director, at <u>marcella.beam@cabarrushealth.org</u>.



Childhood Obesity

Habits to address the growing rate of obesity need to be introduced among younger populations and to the entire family, parent and child, to ensure long term behavior change. While childhood obesity is a complex health issue, obesity during childhood can significant long term health effects. Our nation's overall increase in obesity also is influenced by a person's community making community collaboration and policy, systems and environmental approaches vital to addressing barriers to physical activity and fresh produce.

Cabarrus Wellness Coalition convenes community partners to address childhood obesity among the early child and school aged populations. Their efforts are focused on interventions within local daycares, schools, as well as clinical and community design settings.

% of Children Identified as Overweight or Obese in Cabarrus County

*Overweight or Obese are classified by having a BMI in the 85 percentile and higher

Cabarrus County	2013	2014	2015	2016
2-4	27%	26%	28%	19%
5-8	30%	29%	30%	26%
9-13	37%	37%	38%	36%
14-18	38%	37%	38%	38%
Total	34%	33%	34%	31%

*Carolinas HealthCare System-Electronic Medical Record

Rates of morbidity, mortality, and emergency hospitalizations can be reduced if community residents access services such as health screenings, routine tests, and vaccinations. Prevention indicators can call attention to a lack of access or knowledge regarding one or more health issues and can inform program interventions.

	Cabarrus	North Carolina
Fetal Death Rate per 1,000 Deliveries	7.8	6.9
Neonatal (<28 days) Death Rate per 1,00 Live Births	4.0	4.9
Post-neonatal (28 days – 1 year) Death Rater per 1,000 Live Births	1.8	2.3
Infant Death Rater per 1,000 Live Births	5.7	7.2
Unadjusted Child (0-17) Death Rate per 100,000 population	43.9	58.1
Unintentional Poisoning Mortality Rate per 100,000	13.8	13.7

State Center for Health Statistics - 2018 County Health Data Book

Leading Causes of Death *Unadjusted Death Rates per 100,000 Population	Cabarrus	North Carolina
Total Deaths – All Causes	800.8	781.8
Cancer	162.1	166.5
Disease of Heart	154.9	161.3
Chronic Lower Respiratory Diseases	50.3	45.6
Alzheimer's Disease	45.6	31.9
Cerebrovascular Disease	44.8	43.1
Unintentional Injuries *Excluding Motor Vehicle	37.1	31.9
Pneumonia and Influenza	23.8	17.8
Diabetes Mellitus	21.3	23.0
Nephritis, Nephrotic Syndrome and Nephrosis	16.0	16.4
Suicide	13.4	12.9

A new diagnostic coding system (ICD-10CM) was implemented in October of 2015. The new coding system is not comparable to the ICD-9CM coding criteria used previously, meaning that previous mortality and morbidity data cannot be compared to current data for trend identification.

With the continually growing aging population, we have seen a spike in the rate of Alzheimer's Disease associated deaths. In 2016, the rate of death associated with Alzheimer's disease was 36.2 per 100,000 population. In just two years, that rate has jumped drastically to 45.6.

2016 State of North Carolina and 2014-2016 County Life Expectancy at Birth

Life Expectancy	Age
North Carolina	77.4
Cabarrus	78.5
Rowan	75.3
Stanly	76.3
Union	79.5
Iredell	77.6
Mecklenburg	80.2

Life expectancy is often used to gauge the overall health of a community. Shifts in life expectancy are often used to describe trends in mortality. Life expectancy represents the average number of additional years that someone at a given age would be expected to live if he/she were to experience throughout life the age-specific risk of death observed in a specified period of time.

An Emerging Issue that Affects Health Status: Increase in Active Tuberculosis Cases

All cases of tuberculosis (TB) are reported to the local or state health department, because the disease can spread to others and cause outbreaks. Major health authorities keep track of TB outbreaks and encourage early testing for people who are at risk for the disease. According to the CDC, the rate of TB cases in the US dropped from 2015 to 2016, while North Carolina saw an increase. The most recent data shows the number of reported TB cases in Cabarrus County has tripled between 2016 and 2017. Due the increase in reported active cases of TB Cabarrus County, residents are now considered to live in a county at risk of exposure.

	2015	2016	2017
Active Tuberculosis Cases	0	3	9

New Initiatives

Harm Reduction

The rapid rise of opioid use, including Heroin, in Cabarrus County has created an epidemic that places additional populations at risk, as well. The sharing of needles, syringes, and other injection equipment provides a direct route of transmission for infectious diseases, placing people who inject drugs (PWID) at high risk.

Syringe exchange programs are an evidencedbacked, compassionate, cost-effective way to respond to the personal and community health issues posed by high-risk opioid and injection drug use. According to the Harm Reduction Coalition, approximately 20 percent of HIV/AIDS cases and upwards of 55 percent of hepatitis C cases can be attributed to injection drug use. Alliance in June 2017. The vision of The Exchange is to serve as a welcoming entry point to healthcare services for PWID in Cabarrus County – to engage and care for those who often elect not to seek services due to fear of stigma or lack of knowledge on available resources in their community. Between June and December 2017 approximately 4,740 syringes were given to enrolled participants, while more than 5,600 were returned or collected for proper disposal.

Naloxone distribution has been another focus of Cabarrus County's Harm Reduction efforts. A partnership with the North Carolina Harm Reduction Coalition has assisted with the distribution of 601 kits between June and December of 2017. Through McLeod Addictive Disease Center's Prevention Days and The Exchange, these distributed Naloxone kits have responsible for more than 70 overdose reversals.

The Exchange began operating at Cabarrus Health

Community Communication

Strong communication with key stakeholders and community members regarding progress on initiatives specific to the identified priority needs is vital to continued community health improvement. Following review by the Board of Health and Healthy Cabarrus Executive Committee, copies of the State of the County Health Report will be disseminated to the Healthy Cabarrus Advisory Board as well as in target community locations. Targeted locations include local libraries, community centers, park and recreation departments, federally qualified health centers, in addition to other sites with high community member presence. The Healthy Cabarrus Executive Director will plan to present the report annually to local municipal leaders and the Board of Commissioners.



City of Kannapolis City Council Meeting April 23, 2018 Staff Report

то:	Mayor and City Council
FROM:	Wilmer Melton, III - Director of Public Works
TITLE:	Follow-up Presentation Regarding TIP #Project Y-4810 K Rogers Lake Road Separated Grade Crossing

A. Action Requested by City Council Presentation only, no action required.

B. Required Votes to Pass Required Action

Presentation Only, no action required

C. Background

At City Council's April 9, 2018 meeting, City Council received an update from NCDOT regarding the status of the TIP #Project Y-4810 K Rogers Lake Road Separated Grade Crossing. At the meeting, concern was expressed regarding East connectivity back to Ridge Avenue and encouraged NCDOT to evaluate other options to provide better access to Ridge Avenue.

After evaluating the options and environmental impacts to keep the Project on schedule, NCDOT is providing an updated alternative to address both the neighborhood and Council concerns from the past meeting.

At the prior Council meeting, Council elected to allow citizen comment regarding the recommended alternative.

D. Fiscal Considerations

None

E. Policy Issues

None

F. Legal Issues

None

G. Alternative Courses of Action and Recommendation

Presentation Only. No action is required

ATTACHMENTS: File Name No Attachments Available



City of Kannapolis City Council Meeting April 23, 2018 Staff Report

TO:	Mayor and City Council
FROM:	Zachary D. Gordon, AICP, Planning Director
TITLE:	Voluntary Annexation of approximately 22.35 acres of Property - 3739 and 3749 Shiloh Church Road

A. Action Requested by City Council

Conduct a Public Hearing and consider a motion to adopt an Ordinance to Extend the Corporate Limits of the City of Kannapolis, consisting of approximately 22.35 +/- acres on Shiloh Church Road (PIN 4672-68-3634 and 4672-68-0812).

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

The owners of the subject properties, Joseph and Shannon Howell, have submitted a petition for the voluntary annexation of approximately 22.35+/- acres located at 3739 and 3749 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 parcels are predominantly vacant with small outbuildings and have a Cabarrus County zoning designation of CR - Countryside Residential. This annexation request is being made to facilitate the development of a potential residential subdivision.

The petition is for a **noncontiguous annexation** as the property is not adjacent to the City's existing limits (See attached Vicinity Map).

As is required by the North Carolina General Statutes, an initial City of Kannapolis zoning designation will be applied to the property by the Planning and Zoning Commission within 60 days of the effective date of the annexation.

Under the terms of the Annexation Agreement between Kannapolis and Concord, the proposed annexation of property is located within the area where Kannapolis may annex (see attached Annexation Agreement and map). Per this agreement, the City of Concord was notified of the petition for annexation (see attached letter).

D. Fiscal Considerations

None.

E. Policy Issues

The 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 the attached Annexation Agreement. 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*, identifies this area as a "Primary Service Area". According to the 2030 Plan, the 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 determine and certify the sufficiency of the petition and set a public hearing for consideration of the petition. The City Clerk has signed a Certificate of Sufficiency, dated April 4, 2018 and, at its April 9, 2018 meeting, the City Council adopted a Resolution of Intent to Annex and fix Date of Public Hearing for April 23, 2018 to consider this petition for annexation.

G. Alternative Courses of Action and Recommendation

- 1. Motion to adopt An Ordinance to Extend the Corporate Limits of the City of Kannapolis consisting of approximately 22.35 +/- acres on Shiloh Church Road for PIN 4672-68-3634 and 4672-68-0812 (Recommended).
- 2. Do not approve Ordinance
- 3. Table action to a future meeting.

ATTACHMENTS:

File Name

- Howell_AnnexPetitionSigned2018_0205.pdf
- D Howell_survey.pdf
- Vicinity_Map.pdf
- Resolution_directing_the_Clerk_to_investigate_an_intent_to_annex.pdf
- Certificate_of_Sufficiency.pdf
- Resolution_to_set_a_public_hearing.pdf
- D HOWELL_PIN_4672_68_0812.pdf
- D HOWELL_PIN_4672_68_3634.pdf
- City_of_Concord-Annex_Agreement_-_without_metes_and_bounds_attachments.pdf
- C Kannapolis_Growth_Area_Smith_Annexation.pdf
- Concord_Notice_-_Howell_Annexation.pdf
- D Annexation_Ordinance_-_Howell_Annexation.pdf
- EXHIBIT_A_-HOWELL_PIN_4672_68_3634.pdf

- EXHIBIT_A_-HOWELL_PIN_4672_68_0812.pdf
- CC_Annexations_Publication_Notices.pdf



PETITION REQUESTING A NON-CONTIGUOUS (SATELLITE) ANNEXATION

DATE: 3-4-18

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

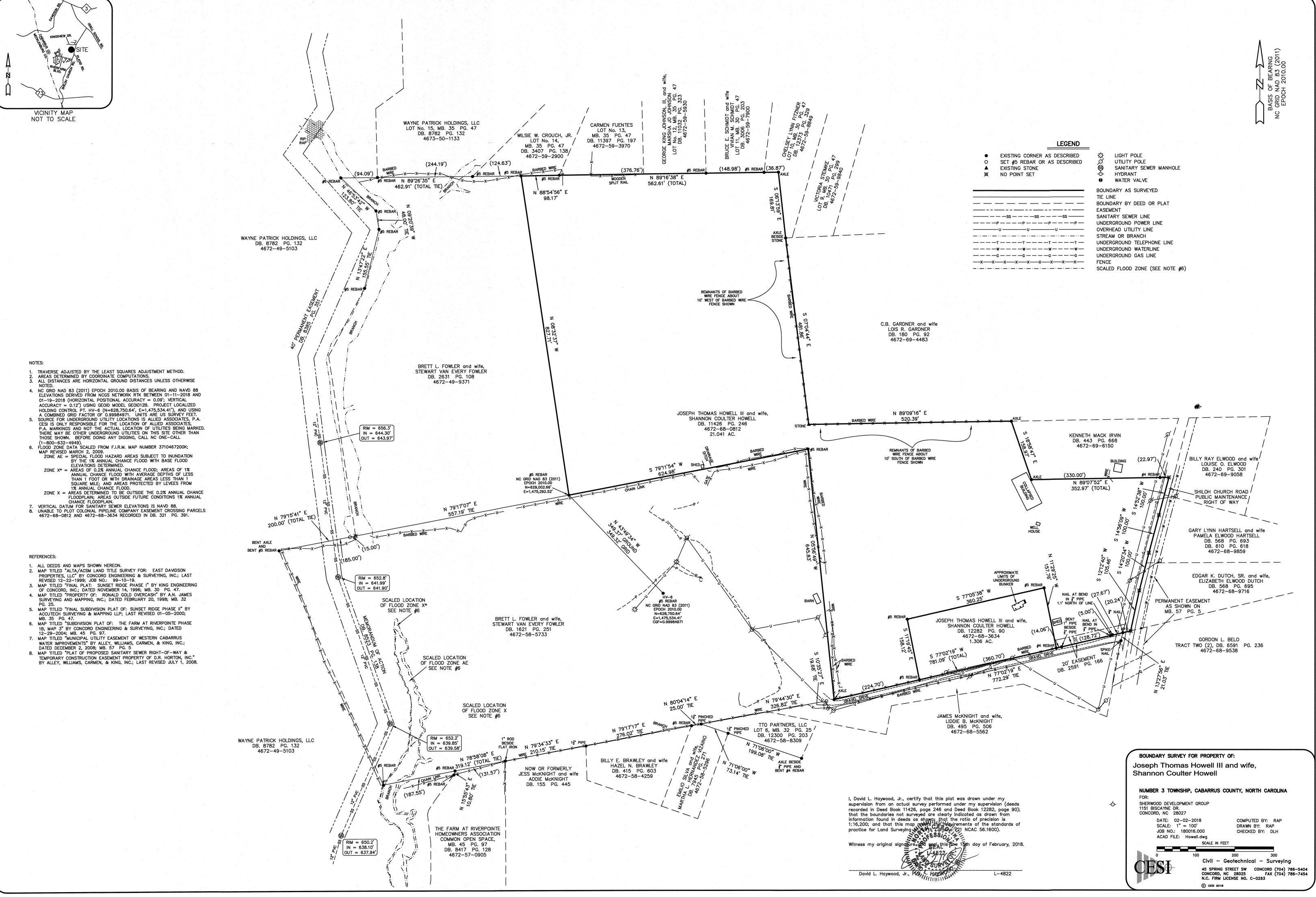
- 1. We, the undersigned owners of real property, respectfully request that the area described in paragraph 2 below be annexed to the City of Kannapolis, North Carolina.
- 2. The area to be annexed is non-contiguous to the City of Kannapolis, North Carolina and the boundaries of such territory are as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

See Attached Survey Map and Metes and Bounds Description

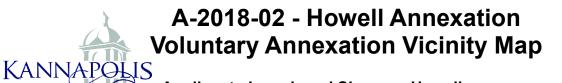
3. A vicinity map is attached showing the area proposed for annexation in relation to the primary corporate limits of the City of Kannapolis, North Carolina (and in relation to the primary corporate limits of another municipality if substantial question of whether the area is closer to another municipality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

Name (print or type)	Address	Signature
1. Joseph Howell III	10339 Samuels Way	W DX Hank eville John T Hand TH
2. Shannon Howell	10389 Samuels U Atuntersville	No 28078 Shann Havell
3	<u></u>	

*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.

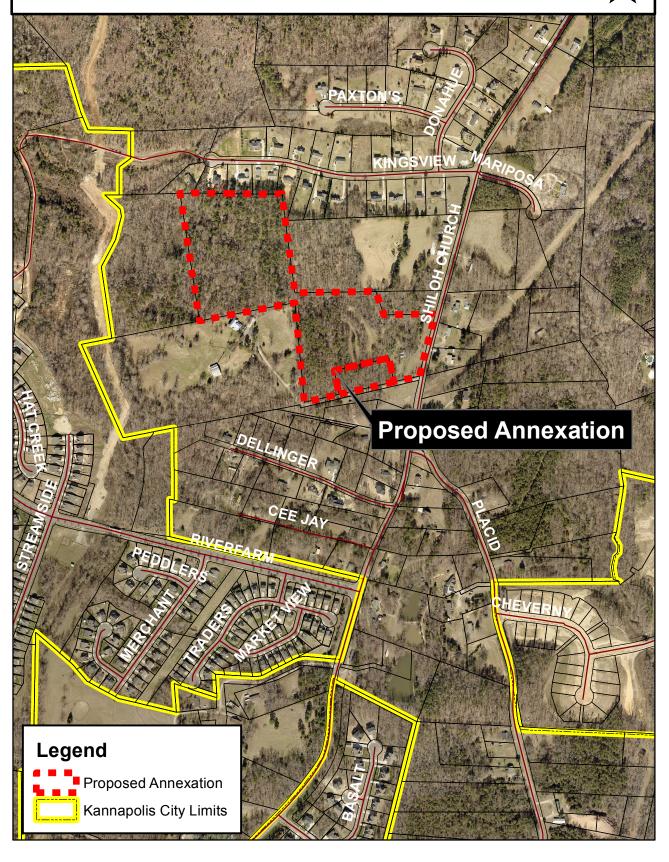






Applicant: Joseph and Shannon Howell PIN: 4672-68-3634, 4672-68-0812





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

WHEREAS, the City Council may initiate annexation of noncontiguous 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 4 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 4 and to certify as soon as possible to the City Council the result of the investigation.

ADOPTED this the 9th day of April 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, City Clerk, do hereby certify that pursuant to NCGS Chapter 160A, Article 4A, Part 4, I have investigated the petition attached hereto and have found as a fact that said petition is signed by 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 4th day of April, 2018.



Bridgette Bell, MMC, NCCMC City Clerk

RESOLUTION OF INTENT TO ANNEX AND FIX DATE OF PUBLIC HEARING ON QUESTION OF ANNEXATION PURSUANT TO CHAPTER 160A ARTICLE 4A (Part 4) Section 160A-58.1

WHEREAS, pursuant to NCGS 160A-58.1 the City Council may initiate annexation of real property noncontiguous 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 April, 2018.
- Section 2. The area proposed for annexation is described as follows:

See Attached Metes and Bounds Description

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

ADOPTED this the 9th day of April, 2018.

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC City Clerk <u>LEGAL DESCRIPTION</u> PIN 4672-68-0812 ALL THAT REAL PROPERTY IN NO. 3 TOWNSHIP, CABARRUS COUNTY, NORTH CAROLINA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A # 5 REBAR, DESIGNATED AS HV-6 ON AN UNRECORDED MAP TITLED "BOUNDARY SURVEY FOR PROPERTY OF BRETT L. FOWLER AND WIFE, STEWART VAN EVERY FOWLER & JOSEPH THOMAS III AND WIFE, SHANNON COULTER HOWELL" BY CESI DATED FEBRUARY 02, 2018, (CESI JOB NUMBER 180016.000), SAID # 5 REBAR HAVING A NORTH CAROLINA GRID COORDINATE OF N = 628,750.64 FEET, E = 1,475,534.41 FEET {NAD 83 (2011)};

THENCE N 43° 49' 34" W, A GROUND DISTANCE OF 349.37 FEET (GRID DISTANCE OF 349.32 FEET, COMBINED GRID FACTOR OF 0.99984971), TO AN EXISTING #5 REBAR AT THE SOUTHEASTERLY CORNER OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER, DEED BOOK 2631 PAGE 108, HAVING A NORTH CAROLINA GRID COORDINATE OF N = 629,002.66 FEET, E = 1,475,292.52 FEET {NAD 83 (2011)}, SAID EXISTING #5 REBAR BEING THE <u>TRUE POINT OF</u> BEGINNING;

THENCE N 08° 32' 37" W, ALONG THE EASTERLY LINE OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER, DEED BOOK 2631 PAGE 108, A DISTANCE OF 827.71 FEET, TO A #5 REBAR IN THE SOUTHERLY LINE OF THE LANDS OF WILSE W. CROUCH, JR., DEED BOOK 3407 PAGE 138;

THENCE N 88° 54' 56" E, ALONG THE SOUTHERLY LINE OF THE LANDS OF WILSE W. CROUCH, JR., DEED BOOK 3407 PAGE 138, A DISTANCE OF 98.17 FEET, TO A #5 REBAR AT THE SOUTHWEST CORNER OF THE LANDS OF CARMEN FUENTES, DEED BOOK 11397 PAGE 197;

THENCE N 89° 16' 38" E, ALONG THE NORTHERLY LINE OF SAID DEED BOOK 11426 PAGE 246, PASSING A #5 REBAR AT 376.76 FEET, PASSING A #5 REBAR AT 525.74 FEET, FOR A TOTAL DISTANCE OF 562.61 FEET TO A #5 REBAR, BEING A CORNER OF THE LANDS OF CHELSEY LYNN FITZNER DEED BOOK 12373 PAGE 329;

THENCE S 06° 13' 59" E, WITH THE LINE OF CHELSEY LYNN FITZNER DEED BOOK 12373 PAGE 329, A DISTANCE OF 169.81 FEET, TO AN AXLE AT THE NORTHWEST CORNER OF THE LANDS OF C.B. GARDNER AND WIFE LOIS R. GARDNER DEED BOOK 180 PAGE 92;

THENCE S 07° 04' 44" E, ALONG THE WESTERLY LINE OF C. B. GARDNER DEED BOOK 180 PAGE 92, A DISTANCE OF 481.86 FEET, TO A STONE, IN THE SOUTHERLY LINE OF C. B. GARDNER DEED BOOK 180 PAGE 92;

THENCE N 89° 09' 16" E, ALONG THE SOUTHERLY LINE OF C. B. GARDNER DEED BOOK 180 PAGE 92, A DISTANCE OF 520.39 FEET, TO AND AXLE, AT THE NORTHWESTERLY CORNER OF THE LANDS OF KENNETH MACK IRVIN, DEED BOOK 443 PAGE 668;

THENCE S 18° 58' 47" E, ALONG THE WESTERLY LINE OF THE LANDS OF KENNETH MACK IRVIN DEED BOOK 443 PAGE 668, A DISTANCE OF 158.97 FEET TO AN AXLE,

AT THE SOUTHWESTERLY CORNER OF THE LANDS OF KENNETH MACK IRVIN, DEED BOOK 443 PAGE 668;

THENCE N 89° 07' 52" E, ALONG THE SOUTHERLY LINE OF THE LANDS OF KENNETH MACK IRVIN DEED BOOK 443 PAGE 668, PASSING #4 REBAR AT 330.00 FEET, FOR A TOTAL DISTANCE OF 352.97 FEET, TO A COMPUTED POINT IN SHILOH CHURCH ROAD;

THENCE WITH SHILOH CHURCH ROAD IN A SOUTHWESTERLY DIRECTION THE FOLLOWING FOUR (4) COURSES:

- 1. S 14° 52' 38" W, A DISTANCE OF 100.00 FEET, TO A COMPUTED POINT;
- 2. S 14° 56' 09" W, A DISTANCE OF 100.00 FEET, TO A COMPUTED POINT;
- 3. S 14° 20' 34" W, A DISTANCE OF 100.00 FEET, TO A COMPUTED POINT;
- 4. S 12° 12' 40" W, A DISTANCE OF 105.46 FEET, TO A COMPUTED POINT;

THENCE S 77° 02' 19" W, PASSING A 3/4" NAIL AT 20.24 FEET, PASSING A NAIL IN A 1/2" (PIPE BEING 1.1 FEET NORTH OF LINE) AT 47.91 FEET, PASSING A NAIL AT THE BEND OF A 1/2" PIPE AT 52.91 FEET, PASSING A BENT 1" PIPE BESIDE A 1/2" PIPE AT 181.63 FEET, FOR A TOTAL DISTANCE OF 195.69 FEET TO A #4 REBAR AT THE SOUTHEASTERLY CORNER OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 12282 PAGE 90;

THENCE N 11° 29' 25" W, ALONG THE EASTERLY LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL, DEED BOOK 12282 PAGE 90, A DISTANCE OF 157.76 FEET TO A #5 REBAR AT THE NORTHEASTERLY CORNER OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 12282 PAGE 90;

THENCE S 77° 05' 38" W, ALONG THE NORTHERLY LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL, DEED BOOK 12282 PAGE 90, A DISTANCE OF 360.25 FEET TO A #5 REBAR AT THE NORTHWESTERLY CORNER OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 12282 PAGE 90;

THENCE S 11° 19' 45" E, ALONG THE WESTERLY LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL, DEED BOOK 12282 PAGE 90, A DISTANCE OF 158.12 FEET TO A #5 REBAR AT THE SOUTHWESTERLY CORNER OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 12282 PAGE 90;

THENCE S 77° 02' 19" W, A DISTANCE OF 224.70 FEET TO AN AXLE, BEING A COMMON CORNER WITH THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER DEED BOOK 1621 PAGE 251;

THENCE N 05° 56' 49" W, ALONG THE EASTERLY LINE OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER DEED BOOK 1621 PAGE 251, A DISTANCE OF 645.83 FEET, TO A #5 REBAR;

THENCE S 79° 11' 54" W, ALONG THE NORTHERLY LINE OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER DEED BOOK 1621 PAGE 251, A

DISTANCE OF 624.98 FEET, TO A #5 REBAR BEING THE <u>TRUE POINT OF</u> <u>BEGINNING</u>.

THE ABOVE DESCRIBED PROPERTY CONTAINS 916,532 SQ. FT (21.041 AC)

LEGAL DESCRIPTION PIN 4672-68-3634

ALL THAT REAL PROPERTY IN NO. 3 TOWNSHIP, CABARRUS COUNTY, NORTH CAROLINA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A # 5 REBAR, DESIGNATED AS HV-6 ON AN UNRECORDED MAP TITLED "BOUNDARY SURVEY FOR PROPERTY OF BRETT L. FOWLER AND WIFE, STEWART VAN EVERY FOWLER & JOSEPH THOMAS III AND WIFE, SHANNON COULTER HOWELL" BY CESI DATED FEBRUARY 02, 2018, (CESI JOB NUMBER 180016.000), SAID # 5 REBAR HAVING A NORTH CAROLINA GRID COORDINATE OF N = 628,750.64 FEET, E = 1,475,534.41 FEET {NAD 83 (2011)};

THENCE N 43° 49' 34" W, A GROUND DISTANCE OF 349.37 FEET (GRID DISTANCE OF 349.32 FEET, COMBINED GRID FACTOR OF 0.99984971), TO AN EXISTING #5 REBAR AT THE SOUTHEASTERLY CORNER OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER, DEED BOOK 2631 PAGE 108, HAVING A NORTH CAROLINA GRID COORDINATE OF N = 629,002.66 FEET, E = 1,475,292.52 FEET {NAD 83 (2011)};

THENCE N 79° 11' 54" E, WITH THE LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 11426 PAGE 246, A DISTANCE OF 624.98 FEET, TO A #5 REBAR;

THENCE S 05° 56' 49" E, WITH THE LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 11426 PAGE 246, A DISTANCE OF 645.83 FEET, TO AN AXLE;

THENCE N 77° 02' 19" E, WITH THE LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 11426 PAGE 246, A DISTANCE OF 224.70 FEET TO A #5 REBAR, SAID #5 REBAR BEING THE <u>TRUE</u> POINT OF BEGINNING;

THENCE N 11° 19' 45" W, AND WITH THE LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL, DEED BOOK 11426 PAGE 246, A DISTANCE OF 158.12 FEET TO A #5 REBAR;

THENCE N 77° 05' 38" E, AND WITH THE LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL, DEED BOOK 11426 PAGE 246, A DISTANCE OF 360.25 FEET, TO A #5 REBAR;

THENCE S 11° 29' 25" E, AND WITH THE LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL, DEED BOOK 11426 PAGE 246, A DISTANCE OF 157.76, FEET TO A #5 REBAR;

THENCE S 77° 02' 19" W, AND WITH THE LINE OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER, DEED BOOK 1621 PAGE 251, A DISTANCE OF 360.70 FEET, TO A #5 REBAR, SAID #5 REBAR BEING THE <u>TRUE</u> POINT OF BEGINNING.

THE ABOVE DESCRIBED PROPERTY CONTAINS 56,913 SQ. FT (1.307 AC)

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.

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CITY OF KANNPOLIS

By: ss, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

M. Safrit, I, City Attorney Wa

CITY OF CONCORD

By: Scott Padgett, Mayor

÷.

ATTEST:

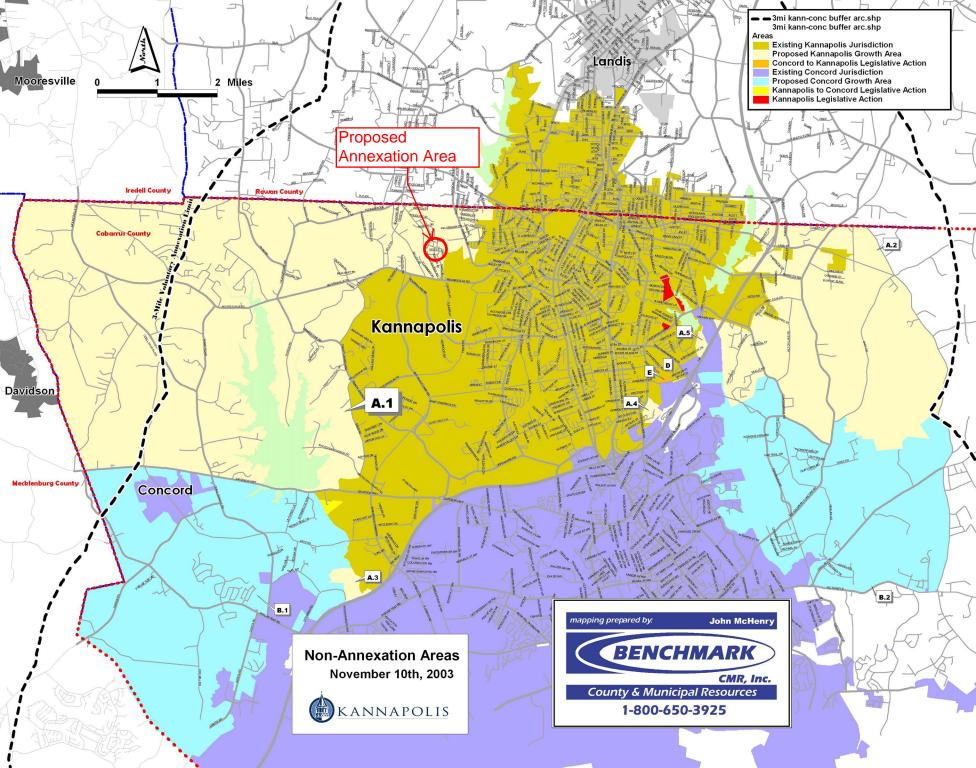
rkin C. Weant Vickie Weant, CMC, City Clerk

APPROVED AS TO FORM:

CONC

Albert Benshoff

City Attorney





April 12, 2018

Mr. Lloyd Payne, City Manager City of Concord 35 Cabarrus Ave W, Concord, NC 28025 (Via USPS & Email)

Re: Petition for Annexation of Property (Shiloh Church Road, Cabarrus County PIN 4672-68-3634, 4672-68-0812)

Dear Mr. Payne:

Per the terms of the Annexation Agreement (see attached) between Kannapolis and Concord, the purpose of this letter is to inform you that the City of Kannapolis has received a petition for voluntary annexation of property in Area A.1 of the agreement (see enclosed petition with attachments), within which area the City may annex property. More specifically, the property requested for annexation is located on Shiloh Church Road and encompasses 22.35 +/- acres (see attached vicinity map).

The Kannapolis City Council will consider this petition for annexation at a public hearing to be held at 6:00 pm in the City Hall chambers, located at 401 Laureate Way, Kannapolis, on April 23, 2018.

The above-referenced property currently has a Cabarrus County Zoning designation of CR –Countryside Residential. As is required by the North Carolina General Statutes, an initial City of Kannapolis zoning designation must be applied to the property within 60 days of the effective date of the annexation. The property owner intends to develop this property for single family residential use.

Please feel free to contact me if you have any questions or would like to offer input regarding this annexation petition.

Sincerely,

Zachary D. Gordon, AICP Planning Director

Attachments

Cc: Mike Legg, City Manager (via email) Wally Safrit, City Attorney (via email) Bridgette Bell, City Clerk (via email) Susie Morris, Cabarrus County Planning and Zoning Manager (via email)

<u>AN ORDINANCE TO EXTEND THE CORPORATE LIMITS</u> OF THE CITY OF KANNAPOLIS, NORTH CAROLINA

WHEREAS, pursuant to NCGS 160A-58.1 the City Council has stated its intent to annex property not contiguous to the City's boundary as described below; and

WHEREAS, the City Council has by resolution set a public hearing on the question of this annexation at Kannapolis City Hall, located at 401 Laureate Way at 6:00 PM on the 23rd day of April, 2018 after due notice by the Independent Tribune newspaper on the 13th day of April, 2018;

WHEREAS, the City Council further finds that the public health, safety and welfare of the City of Kannapolis, North Carolina and of the area proposed for annexation will be best served by annexing the area described;

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

Section 1. By virtue of the authority granted pursuant to N.C.G.S. Chapter 160A, Article 4A, Part 4, Section 160A-58.1 the following described territory is hereby annexed and made part of the City of Kannapolis, North Carolina as of the 30th day of June, 2018, and being more particularly described as Cabarrus County PIN 4672-68-3634, 4672-68-0812 as follows:

SEE EXHIBIT A – METES AND BOUNDS DESCRIPTION

Section 2. Upon and after the 30th day of June, 2018, the above-described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Kannapolis, North Carolina and shall be entitled to the same privileges and benefits as other parts of the City of Kannapolis, North Carolina. Said territory shall be subject to municipal taxes according to G.S. 160A-31(e).

Section 3. The Mayor of the City of Kannapolis, North Carolina shall cause to be recorded in the office of the Register of Deeds of Cabarrus County, and in the office of the Secretary of State at Raleigh, North Carolina, an accurate map of the annexed territory, described in Section above, together with a duly certified copy of this ordinance. Such a map shall also be delivered to the Board of Elections, as required by G.S. 163-288.1.

Adopted this 23rd day of April, 2018.

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC City Clerk

APPROVED AS TO FORM:

Walter M. Safrit, II, City Attorney

EXHIBIT A – METES AND BOUNDS DESCRIPTION

LEGAL DESCRIPTION PIN 4672-68-3634

ALL THAT REAL PROPERTY IN NO. 3 TOWNSHIP, CABARRUS COUNTY, NORTH CAROLINA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A # 5 REBAR, DESIGNATED AS HV-6 ON AN UNRECORDED MAP TITLED "BOUNDARY SURVEY FOR PROPERTY OF BRETT L. FOWLER AND WIFE, STEWART VAN EVERY FOWLER & JOSEPH THOMAS III AND WIFE, SHANNON COULTER HOWELL" BY CESI DATED FEBRUARY 02, 2018, (CESI JOB NUMBER 180016.000), SAID # 5 REBAR HAVING A NORTH CAROLINA GRID COORDINATE OF N = 628,750.64 FEET, E = 1,475,534.41 FEET {NAD 83 (2011)};

THENCE N 43° 49' 34" W, A GROUND DISTANCE OF 349.37 FEET (GRID DISTANCE OF 349.32 FEET, COMBINED GRID FACTOR OF 0.99984971), TO AN EXISTING #5 REBAR AT THE SOUTHEASTERLY CORNER OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER, DEED BOOK 2631 PAGE 108, HAVING A NORTH CAROLINA GRID COORDINATE OF N = 629,002.66 FEET, E = 1,475,292.52 FEET {NAD 83 (2011)};

THENCE N 79° 11' 54" E, WITH THE LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 11426 PAGE 246, A DISTANCE OF 624.98 FEET, TO A #5 REBAR;

THENCE S 05° 56' 49" E, WITH THE LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 11426 PAGE 246, A DISTANCE OF 645.83 FEET, TO AN AXLE;

THENCE N 77° 02' 19" E, WITH THE LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 11426 PAGE 246, A DISTANCE OF 224.70 FEET TO A #5 REBAR, SAID #5 REBAR BEING THE <u>TRUE</u> POINT OF BEGINNING;

THENCE N 11° 19' 45" W, AND WITH THE LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL, DEED BOOK 11426 PAGE 246, A DISTANCE OF 158.12 FEET TO A #5 REBAR;

THENCE N 77° 05' 38" E, AND WITH THE LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL, DEED BOOK 11426 PAGE 246, A DISTANCE OF 360.25 FEET, TO A #5 REBAR;

THENCE S 11° 29' 25" E, AND WITH THE LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL, DEED BOOK 11426 PAGE 246, A DISTANCE OF 157.76, FEET TO A #5 REBAR;

THENCE S 77° 02' 19" W, AND WITH THE LINE OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER, DEED BOOK 1621 PAGE 251, A

DISTANCE OF 360.70 FEET, TO A #5 REBAR, SAID #5 REBAR BEING THE <u>TRUE</u> <u>POINT OF BEGINNING</u>.

THE ABOVE DESCRIBED PROPERTY CONTAINS 56,913 SQ. FT (1.307 AC)

EXHIBIT A – METES AND BOUNDS DESCRIPTION

LEGAL DESCRIPTION PIN 4672-68-0812

ALL THAT REAL PROPERTY IN NO. 3 TOWNSHIP, CABARRUS COUNTY, NORTH CAROLINA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A # 5 REBAR, DESIGNATED AS HV-6 ON AN UNRECORDED MAP TITLED "BOUNDARY SURVEY FOR PROPERTY OF BRETT L. FOWLER AND WIFE, STEWART VAN EVERY FOWLER & JOSEPH THOMAS III AND WIFE, SHANNON COULTER HOWELL" BY CESI DATED FEBRUARY 02, 2018, (CESI JOB NUMBER 180016.000), SAID # 5 REBAR HAVING A NORTH CAROLINA GRID COORDINATE OF N = 628,750.64 FEET, E = 1,475,534.41 FEET {NAD 83 (2011)};

THENCE N 43° 49' 34" W, A GROUND DISTANCE OF 349.37 FEET (GRID DISTANCE OF 349.32 FEET, COMBINED GRID FACTOR OF 0.99984971), TO AN EXISTING #5 REBAR AT THE SOUTHEASTERLY CORNER OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER, DEED BOOK 2631 PAGE 108, HAVING A NORTH CAROLINA GRID COORDINATE OF N = 629,002.66 FEET, E = 1,475,292.52 FEET {NAD 83 (2011)}, SAID EXISTING #5 REBAR BEING THE <u>TRUE POINT OF</u> <u>BEGINNING</u>;

THENCE N 08° 32' 37" W, ALONG THE EASTERLY LINE OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER, DEED BOOK 2631 PAGE 108, A DISTANCE OF 827.71 FEET, TO A #5 REBAR IN THE SOUTHERLY LINE OF THE LANDS OF WILSE W. CROUCH, JR., DEED BOOK 3407 PAGE 138;

THENCE N 88° 54' 56" E, ALONG THE SOUTHERLY LINE OF THE LANDS OF WILSE W. CROUCH, JR., DEED BOOK 3407 PAGE 138, A DISTANCE OF 98.17 FEET, TO A #5 REBAR AT THE SOUTHWEST CORNER OF THE LANDS OF CARMEN FUENTES, DEED BOOK 11397 PAGE 197;

THENCE N 89° 16' 38" E, ALONG THE NORTHERLY LINE OF SAID DEED BOOK 11426 PAGE 246, PASSING A #5 REBAR AT 376.76 FEET, PASSING A #5 REBAR AT 525.74 FEET, FOR A TOTAL DISTANCE OF 562.61 FEET TO A #5 REBAR, BEING A CORNER OF THE LANDS OF CHELSEY LYNN FITZNER DEED BOOK 12373 PAGE 329;

THENCE S 06° 13' 59" E, WITH THE LINE OF CHELSEY LYNN FITZNER DEED BOOK 12373 PAGE 329, A DISTANCE OF 169.81 FEET, TO AN AXLE AT THE NORTHWEST CORNER OF THE LANDS OF C.B. GARDNER AND WIFE LOIS R. GARDNER DEED BOOK 180 PAGE 92;

THENCE S 07° 04' 44" E, ALONG THE WESTERLY LINE OF C. B. GARDNER DEED BOOK 180 PAGE 92, A DISTANCE OF 481.86 FEET, TO A STONE, IN THE SOUTHERLY LINE OF C. B. GARDNER DEED BOOK 180 PAGE 92;

THENCE N 89° 09' 16" E, ALONG THE SOUTHERLY LINE OF C. B. GARDNER DEED BOOK 180 PAGE 92, A DISTANCE OF 520.39 FEET, TO AND AXLE, AT THE NORTHWESTERLY CORNER OF THE LANDS OF KENNETH MACK IRVIN, DEED BOOK 443 PAGE 668; THENCE S 18° 58' 47" E, ALONG THE WESTERLY LINE OF THE LANDS OF KENNETH MACK IRVIN DEED BOOK 443 PAGE 668, A DISTANCE OF 158.97 FEET TO AN AXLE, AT THE SOUTHWESTERLY CORNER OF THE LANDS OF KENNETH MACK IRVIN, DEED BOOK 443 PAGE 668;

THENCE N 89° 07' 52" E, ALONG THE SOUTHERLY LINE OF THE LANDS OF KENNETH MACK IRVIN DEED BOOK 443 PAGE 668, PASSING #4 REBAR AT 330.00 FEET, FOR A TOTAL DISTANCE OF 352.97 FEET, TO A COMPUTED POINT IN SHILOH CHURCH ROAD;

THENCE WITH SHILOH CHURCH ROAD IN A SOUTHWESTERLY DIRECTION THE FOLLOWING FOUR (4) COURSES:

- 1. S 14° 52' 38" W, A DISTANCE OF 100.00 FEET, TO A COMPUTED POINT;
- 2. S 14° 56' 09" W, A DISTANCE OF 100.00 FEET, TO A COMPUTED POINT;
- 3. S 14° 20' 34" W, A DISTANCE OF 100.00 FEET, TO A COMPUTED POINT;
- 4. S 12° 12' 40" W, A DISTANCE OF 105.46 FEET, TO A COMPUTED POINT;

THENCE S 77° 02' 19" W, PASSING A 3/4" NAIL AT 20.24 FEET, PASSING A NAIL IN A 1/2" (PIPE BEING 1.1 FEET NORTH OF LINE) AT 47.91 FEET, PASSING A NAIL AT THE BEND OF A 1/2" PIPE AT 52.91 FEET, PASSING A BENT 1" PIPE BESIDE A 1/2" PIPE AT 181.63 FEET, FOR A TOTAL DISTANCE OF 195.69 FEET TO A #4 REBAR AT THE SOUTHEASTERLY CORNER OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 12282 PAGE 90;

THENCE N 11° 29' 25" W, ALONG THE EASTERLY LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL, DEED BOOK 12282 PAGE 90, A DISTANCE OF 157.76 FEET TO A #5 REBAR AT THE NORTHEASTERLY CORNER OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 12282 PAGE 90;

THENCE S 77° 05' 38" W, ALONG THE NORTHERLY LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL, DEED BOOK 12282 PAGE 90, A DISTANCE OF 360.25 FEET TO A #5 REBAR AT THE NORTHWESTERLY CORNER OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 12282 PAGE 90;

THENCE S 11° 19' 45" E, ALONG THE WESTERLY LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL, DEED BOOK 12282 PAGE 90, A DISTANCE OF 158.12 FEET TO A #5 REBAR AT THE SOUTHWESTERLY CORNER OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 12282 PAGE 90;

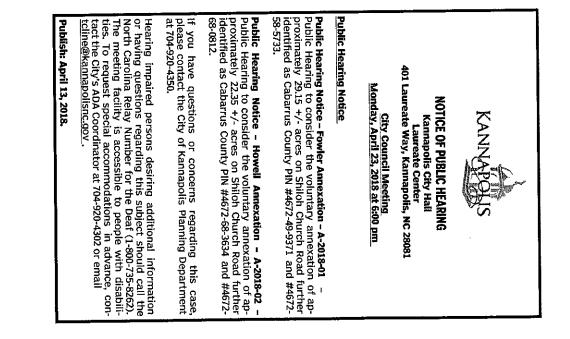
THENCE S 77° 02' 19" W, A DISTANCE OF 224.70 FEET TO AN AXLE, BEING A COMMON CORNER WITH THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER DEED BOOK 1621 PAGE 251;

THENCE N 05° 56' 49" W, ALONG THE EASTERLY LINE OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER DEED BOOK 1621 PAGE 251, A DISTANCE OF 645.83 FEET, TO A #5 REBAR;

THENCE S 79° 11' 54" W, ALONG THE NORTHERLY LINE OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER DEED BOOK 1621 PAGE 251, A DISTANCE OF 624.98 FEET, TO A #5 REBAR BEING THE <u>TRUE POINT OF</u> BEGINNING.

THE ABOVE DESCRIBED PROPERTY CONTAINS 916,532 SQ. FT (21.041 AC)

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City of Kannapolis City Council Meeting April 23, 2018 Staff Report

то:	Mayor and City Council
FROM:	Zachary D. Gordon, AICP, Planning Director
TITLE:	Voluntary Annexation of approximately 29.15 acres of Property on Shiloh Church Road

A. Action Requested by City Council

Conduct a Public Hearing and consider a motion to adopt An Ordinance to Extend the Corporate Limits of the City of Kannapolis, consisting of approximately 29.15 +/- acres on Shiloh Church Road (PIN 4672-58-5733 and 4672-49-9371)

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

The owners of the subject properties, Brett L. Fowler and Stewart Van Every Fowler, have submitted a petition for the voluntary annexation of approximately 29.15+/- acres located at 3747 Shiloh Church Road and an adjoining unaddressed parcel. 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 parcels are vacant and have a Cabarrus County zoning designation of CR - Countryside Residential. This annexation request is being made to facilitate the development of a potential residential subdivision.

The petition is for a **contiguous annexation** as the property is adjacent to the City's existing corporate limits on the west side (See attached Vicinity Map).

As is required by the North Carolina General Statutes, an initial City of Kannapolis zoning designation will be applied to the property by the Planning and Zoning Commission within 60 days of the effective date of the annexation.

Under the terms of the Annexation Agreement between Kannapolis and Concord, the proposed annexation of property is located within the area where Kannapolis may annex (see attached Annexation Agreement and map). Per this agreement, the City of Concord was notified of the petition for annexation (see attached letter).

D. Fiscal Considerations

None.

E. Policy Issues

The 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 the attached Annexation Agreement. The City is in the process of extending utilities in this area to facilitate future development.

According to the City's recently adopted long range planning document - **Move Kannapolis Forward 2030 Comprehensive Plan**, this area is identified as a "Primary Service Area". According to the 2030 Plan, the 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 an Intent to Annex and certify the sufficiency of the petition. City Council must also adopt a Resolution of Intent to Annex and set a public hearing date for consideration of the petition. The City Clerk has signed a Certificate of Sufficiency, dated April 4, 2018, and the City Council, at its April 9, 2018 meeting, adopted a Resolution of Intent to Annex and fix Date of Public Hearing for Aril 23, 2018 to consider this petition for annexation.

G. Alternative Courses of Action and Recommendation

- 1. Motion to adopt An Ordinance to Extend the Corporate Limits of the City of Kannapolis consisting of approximately 29.15 +/- acres on Shiloh Church Road for PIN 4672-58-5733 and 4672-49-9371 (Recommended).
- 2. Do not approve Ordinance
- 3. Table action to a future meeting.

ATTACHMENTS:

File Name

- petition_form_-_contiguous.pdf
- Fowler_Survey.pdf
- Vicinity_Map.pdf
- D Resolution_directing_the_Clerk_to_investigate_an_intent_to_annex.pdf
- Certificate_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_-_2007.pdf
- Concord_Notice_-_Fowler_Annexation.pdf
- D Annexation_Ordinance_-_Fowler_Annexation.pdf

- D EXHIBIT_A_-_FOWLER_PIN_4672_58_5733.pdf
- EXHIBIT_A_-_FOWLER_PIN_4672-49-9371.pdf
- CC_Annexations_Publication_Notices.pdf

KANNAPOLIS

PETITION REQUESTING A CONTIGUOUS ANNEXATION

DATE: <u>03/27/2018</u>

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 contiguous to the primary limits of the City of Kannapolis, North Carolina and the boundaries of such territory are as follows:

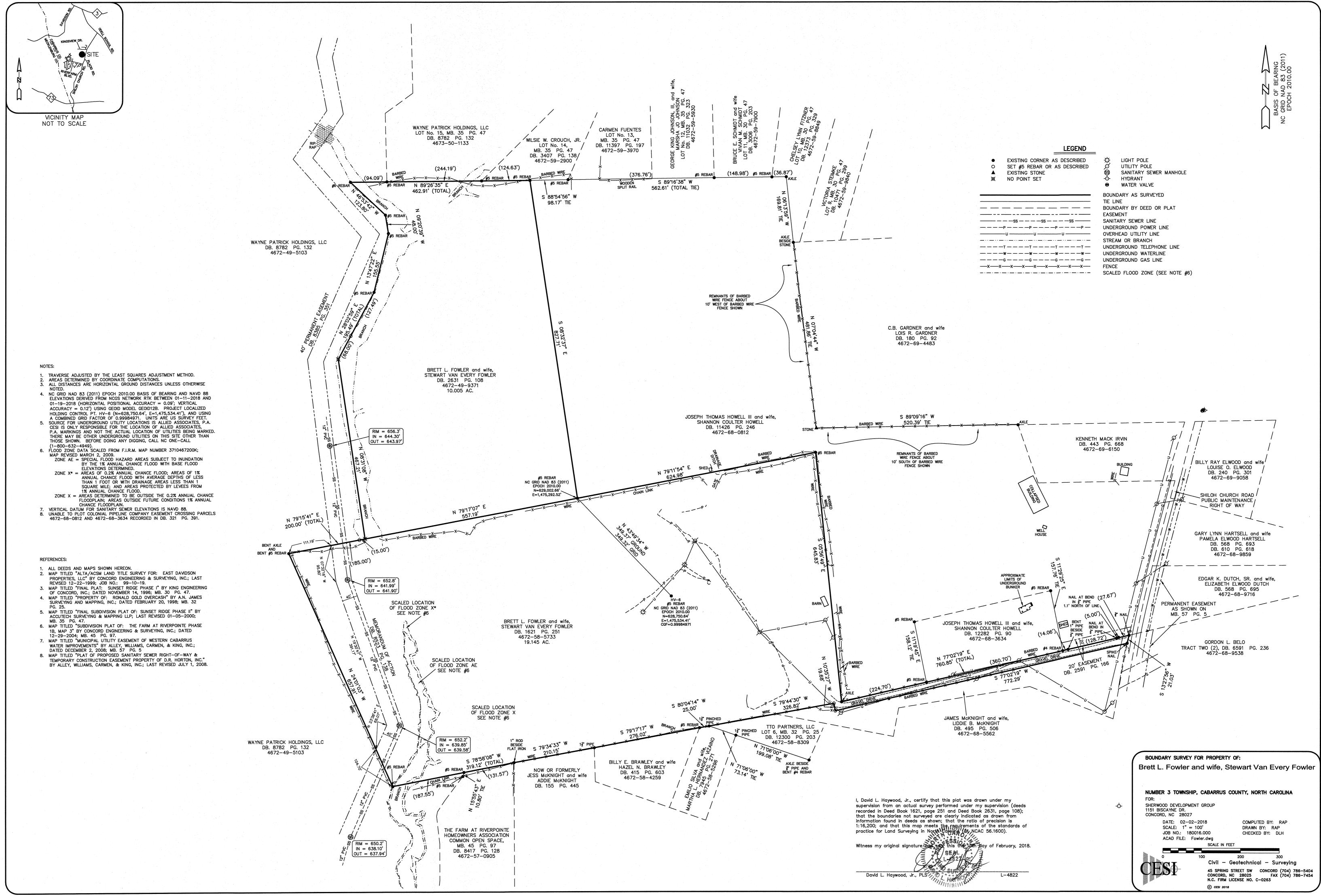
See Attached Survey Map and Metes and Bounds Description

- 3. This petition is signed by all property owners of the area to be annexed.
- 4. \square The undersigned owners acknowledge that the following City service(s) is (are) not presently available for immediate taps upon annexation: water \square sewer \square ; and, subsequently agree that the City shall not provide water and sewer service to the area to be annexed except in accordance with the City's standard water and sewer policy.
- 5. The undersigned owners declare that zoning vested rights have been established on the area to be annexed under G.S. 160A-385.1 or G.S. 153A-344.1, and provide proof of such rights by attachment hereto.

 \square The undersigned owners hereby declare that no such vested rights have been established and that any vested rights previously acquired are hereby terminated.

Name (print or type)	Address	Signature*	
1Brett Fowler	3747 Shiloh Church Road	Brett Fowler	dotloop verified 03/27/18 11:37AM EDT QLBF-CMMJ-RNRM-MQ9M
2. <u>Stewart Van Every</u>	3747 Shiloh Church Road	Stewart Van Every	dotloop verified 03/27/18 10:24AM EDT F57D-TWUV-HFQE-JKIS
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.

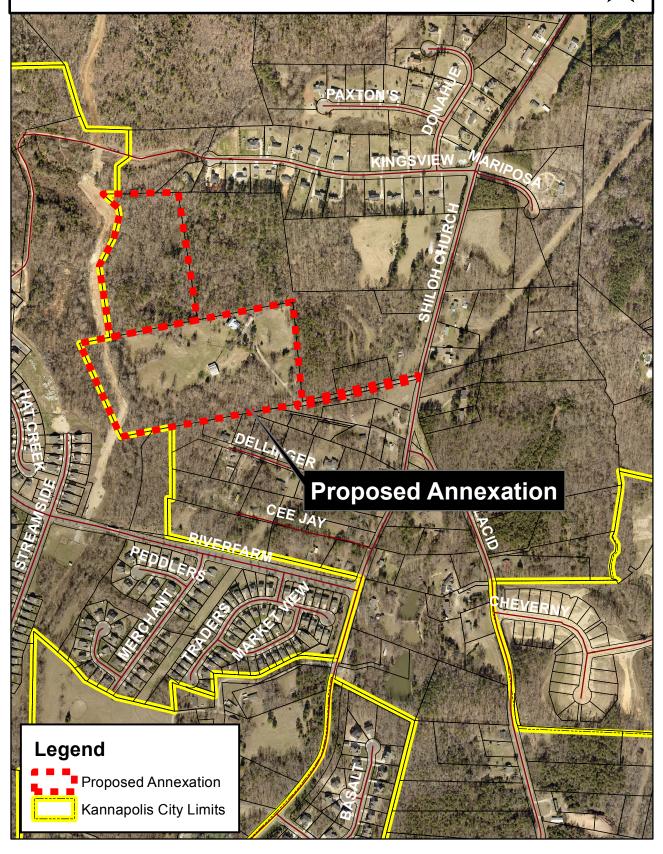


A-2018-01 - Fowler Annexation Voluntary Annexation Vicinity Map

KANNAPOLIS

Applicant: Brett Fowler and Stewart Van Every Fowler PIN: 4672-58-5733, 4672-49-9371





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 April 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, City Clerk, do hereby certify that pursuant to NCGS Chapter 160A, Article 4A, Part 4, I have investigated the petition attached hereto and have found as a fact that said petition is signed by 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 4th day of April, 2018.



Bridgette Bell, MMC, NCCMC 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 April, 2018.
- Section 2. The area proposed for annexation is described as follows:

See Attached Metes and Bounds Description

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

ADOPTED this the 9th day of April, 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.

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CITY OF KANNPOLIS

By: ss, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

M. Safrit, I, City Attorney Wa

CITY OF CONCORD

By: Scott Padgett, Mayor

÷.

ATTEST:

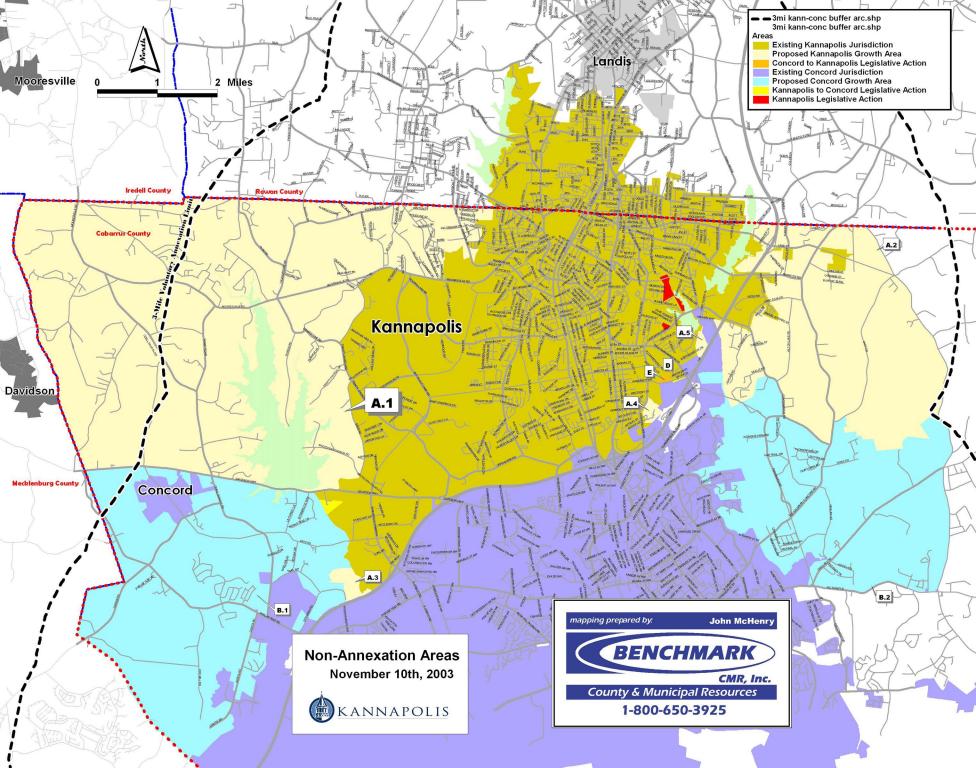
rkin C. Weant Vickie Weant, CMC, City Clerk

APPROVED AS TO FORM:

CONC

Albert Benshoff

City Attorney





April 12, 2018

Mr. Lloyd Payne, City Manager City of Concord 35 Cabarrus Ave W, Concord, NC 28025 (Via USPS & Email)

Re: Petition for Annexation of Property (Shiloh Church Road, Cabarrus County PIN 4672-49-9371 and 4672-58-5733)

Dear Mr. Payne:

Per the terms of the Annexation Agreement (see attached) between Kannapolis and Concord, the purpose of this letter is to inform you that the City of Kannapolis has received a petition for voluntary annexation of property in Area A.1 of the agreement (see enclosed petition with attachments), within which area the City may annex property. More specifically, the property requested for annexation is located on Shiloh Church Road and encompasses 29.15 +/- acres (see attached vicinity map).

The Kannapolis City Council will consider this petition for annexation at a public hearing to be held at 6:00 pm in the City Hall chambers, located at 401 Laureate Way, Kannapolis, on April 23, 2018.

The above-referenced property currently has a Cabarrus County Zoning designation of CR –Countryside Residential. As is required by the North Carolina General Statutes, an initial City of Kannapolis zoning designation must be applied to the property within 60 days of the effective date of the annexation. The property owner intends to develop this property for single family residential use.

Please feel free to contact me if you have any questions or would like to offer input regarding this annexation petition.

Sincerely,

Zachary D. Gordon, AICP Planning Director

Attachments

Cc: Mike Legg, City Manager (via email) Wally Safrit, City Attorney (via email) Bridgette Bell, City Clerk (via email) Susie Morris, Cabarrus County Planning and Zoning Manager (via email)

<u>AN ORDINANCE TO EXTEND THE CORPORATE LIMITS</u> <u>OF THE CITY OF KANNAPOLIS. NORTH CAROLINA</u>

WHEREAS, pursuant to NCGS 160A-31 the City Council has stated its intent to annex property contiguous to the City's boundary as described below; and

WHEREAS, the City Council has by resolution set a public hearing on the question of this annexation at Kannapolis City Hall, located at 401 Laureate Way at 6:00 PM on the 23rd day of April, 2018 after due notice by the Independent Tribune newspaper on the 13th day of April, 2018;

WHEREAS, the City Council further finds that the public health, safety and welfare of the City of Kannapolis, North Carolina and of the area proposed for annexation will be best served by annexing the area described;

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

Section 1. By virtue of the authority granted pursuant to N.C.G.S. Chapter 160A, Article 4A, Part 1, Section 160A-31 the following described territory is hereby annexed and made part of the City of Kannapolis, North Carolina as of the 30th day of June, 2018, and being more particularly described as Cabarrus County PIN 4672-49-9371 and 4672-58-5733, as follows:

SEE EXHIBIT A – METES AND BOUNDS DESCRIPTION

Section 2. Upon and after the 30th day of June, 2018, the above-described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Kannapolis, North Carolina and shall be entitled to the same privileges and benefits as other parts of the City of Kannapolis, North Carolina. Said territory shall be subject to municipal taxes according to G.S.160A-31(e).

Section 3. The Mayor of the City of Kannapolis, North Carolina shall cause to be recorded in the office of the Register of Deeds of Cabarrus County, and in the office of the Secretary of State at Raleigh, North Carolina, an accurate map of the annexed territory, described in Section above, together with a duly certified copy of this ordinance. Such a map shall also be delivered to the Board of Elections, as required by G.S. 163-288.1.

Adopted this 23rd day of April, 2018.

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC City Clerk

APPROVED AS TO FORM:

Walter M. Safrit, II, City Attorney

EXHIBIT A – METES AND BOUNDS DESCRIPTION

LEGAL DESCRIPTION PIN 4672-58-5733

ALL THAT REAL PROPERTY IN NO. 3 TOWNSHIP, CABARRUS COUNTY, NORTH CAROLINA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A # 5 REBAR, DESIGNATED AS HV-6 ON AN UNRECORDED MAP TITLED "BOUNDARY SURVEY FOR PROPERTY OF BRETT L. FOWLER AND WIFE, STEWART VAN EVERY FOWLER & JOSEPH THOMAS III AND WIFE, SHANNON COULTER HOWELL" BY CESI DATED FEBRUARY 02, 2018, (CESI JOB NUMBER 180016.000), SAID # 5 REBAR HAVING A NORTH CAROLINA GRID COORDINATE OF N = 628,750.64 FEET, E = 1,475,534.41 FEET {NAD 83 (2011)};

THENCE N 43° 49' 34" W, A GROUND DISTANCE OF 349.37 FEET (GRID DISTANCE OF 349.32 FEET, COMBINED GRID FACTOR OF 0.99984971), TO AN EXISTING #5 REBAR AT THE SOUTHEASTERLY CORNER OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER, DEED BOOK 2631 PAGE 108, HAVING A NORTH CAROLINA GRID COORDINATE OF N = 629,002.66 FEET, E = 1,475,292.52 FEET {NAD 83 (2011)}, SAID EXISTING #5 REBAR BEING THE <u>TRUE POINT OF</u> <u>BEGINNING</u>;

THENCE N 79° 11' 54" E, WITH THE LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 11426 PAGE 246, A DISTANCE OF 624.98 FEET, TO A #5 REBAR;

THENCE S 05° 56' 49" E, WITH THE LINE OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 11426 PAGE 246, A DISTANCE OF 645.83 FEET, TO AN AXLE;

THENCE N 77° 02' 19" E, PASSING A #5 REBAR AT A DISTANCE OF 224.70 FEET (THE SOUTHWEST CORNER OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 12282 PAGE 90), PASSING A #4 REBAR AT A DISTANCE OF 585.40 (THE SOUTHEAST CORNER OF THE LANDS OF JOSEPH THOMAS HOWELL III AND WIFE SHANNON COULTER HOWELL DEED BOOK 12282 PAGE 90), PASSING A BENT 1" PIPE BESIDE A 1/2" PIPE AT 599.46 FEET, PASSING A NAIL AT THE BEND IN 1/2" PIPE AT 728.18 FEET, PASSING A NAIL AT THE BEND IN 1/2" PIPE (PIPE IS 1.1 FEET NORTH OF LINE) AT 733.18 FEET, TO A 3/4" NAIL AT A TOTAL DISTANCE OF 760.85 FEET;

THENCE S 13° 27' 56" W, A DISTANCE OF 21.03 FEET, TO A SPIKE NAIL;

THENCE S 77° 02' 19" W, WITH THE LINES OF JAMES MCKNIGHT AND WIFE LIDDIE B. MCKNIGHT, DEED BOOK 495 PAGE 506, A DISTANCE OF 772.29 FEET, TO A SET #5 REBAR;

THENCE N 10° 35' 27" W, AND CONTINUING WITH THE LANDS OF JAMES MCKNIGHT, DEED BOOK 495 PAGE 506, A DISTANCE OF 19.68 FEET, TO A SET #5 REBAR;

THENCE S 79° 44' 30" W, WITH THE LINE OF JAMES MCKNIGHT, DEED BOOK 495 PAGE 506, AND THE NORTH LINE OF TTO PARTNERS, LLC, DB 12300 PAGE 203, A DISTANCE OF 326.82 FEET TO A 1-1/2" PINCHED PIPE;

THENCE S 80° 04' 14" W, ALONG THE NORTHERLY LINE OF THE LANDS OF EMILIO SILVA AND WIFE MARTHA L. HERNANDEZ VIZAINO, DEED BOOK 7945 PAGE 271, A DISTANCE OF 25.00 FEET, TO A #5 REBAR;

THENCE S 79° 17' 17" W, ALONG THE NORTHERLY LINE OF THE LANDS OF BILLY E. BRAWLEY AND WIFE HAZEL N. BRAWLEY DEED BOOK 415 PAGE 603, A DISTANCE OF 276.02 FEET, TO A 1-1/2" PIPE;

THENCE S 79° 34' 33" W, ALONG THE NORTHERLY LINE OF THE LANDS OF JESS MCKNIGHT AND WIFE ADDIE MCKNIGHT, DEED BOOK 155 PAGE 445, A DISTANCE OF 210.15 FEET, TO A 1" ROD BESIDE FLAT IRON;

THENCE S 78° 58' 08" W, PASSING A #5 REBAR AT 131.57 FEET (CORNER OF THE LANDS OF THE FARM AT RIVERPOINTE HOMEOWNERS ASSOCIATION COMMON OPEN SPACE) DEED BOOK 8417 PAGE 128, TO A #5 REBAR (CORNER OF WAYNE PATRICK HOLDINGS, LLC) DEED BOOK 8782 PAGE 132, AT A TOTAL DISTANCE OF 319.12 FEET;

THENCE N 24° 01' 03" W, AND WITH THE LINES OF WAYNE PATRICK HOLDINGS LLC DEED BOOK 8782 PAGE 132, A DISTANCE OF 657.91 FEET, TO A BENT AXLE AND BENT #5 REBAR;

THENCE N 79° 15' 41" E, AND CONTINUING WITH THE LINES OF WAYNE PATRICK HOLDINGS LLC DEED BOOK 8782 PAGE 132, PASSING A SET #5 REBAR AT 185.00 FEET, FOR A TOTAL DISTANCE OF 200.00 FEET TO A COMPUTED POINT IN THE BRANCH, SAID COMPUTED POINT IN BRANCH BEING THE SOUTHWEST CORNER OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER, DEED BOOK 2631 PAGE 108;

THENCE N 79° 17' 07" E, AND WITH THE LINE OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER, DEED BOOK 2631 PAGE 108, A DISTANCE OF 557.19 FEET TO A #5 REBAR, SAID #5 REBAR BEING THE <u>TRUE</u> <u>POINT OF BEGINNING</u>.

THE ABOVE DESCRIBED PROPERTY CONTAINS 833,974 SQ. FT (19.145 AC)

EXHIBIT A – METES AND BOUNDS DESCRIPTION

LEGAL DESCRIPTION PIN 4672-49-9371

ALL THAT REAL PROPERTY IN NO. 3 TOWNSHIP, CABARRUS COUNTY, NORTH CAROLINA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A # 5 REBAR, DESIGNATED AS HV-6 ON AN UNRECORDED MAP TITLED "BOUNDARY SURVEY FOR PROPERTY OF BRETT L. FOWLER AND WIFE, STEWART VAN EVERY FOWLER & JOSEPH THOMAS III AND WIFE, SHANNON COULTER HOWELL" BY CESI DATED FEBRUARY 02, 2018, (CESI JOB NUMBER 180016.000), SAID # 5 REBAR HAVING A NORTH CAROLINA GRID COORDINATE OF N = 628,750.64 FEET, E = 1,475,534.41 FEET {NAD 83 (2011)};

THENCE N 43° 49' 34" W, A GROUND DISTANCE OF 349.37 FEET (GRID DISTANCE OF 349.32 FEET, COMBINED GRID FACTOR OF 0.99984971), TO AN EXISTING #5 REBAR AT THE SOUTHEASTERLY CORNER OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER, DEED BOOK 2631 PAGE 108, HAVING A NORTH CAROLINA GRID COORDINATE OF N = 629,002.66 FEET, E = 1,475,292.52 FEET {NAD 83 (2011)}, SAID EXISTING # 5 REBAR BEING THE <u>TRUE POINT OF</u> BEGINNING;

THENCE ALONG THE SOUTHERLY LINE OF SAID DEED BOOK 2631 PAGE 108, S 79° 17' 07" W, A DISTANCE OF 557.19 FEET, TO A COMPUTED POINT IN THE BRANCH;

THENCE WITH THE BRANCH, AND ALONG THE WESTERLY LINE OF SAID DEED BOOK 2631 PAGE 108, THE FOLLOWING FIVE (5) COURSES:

- 1. N 08° 31' 08" W, A DISTANCE OF 467.21 FEET TO A COMPUTED POINT;
- 2. THENCE WITH THE BRANCH N 28° 02' 59" E, A PASSING A SET #5 REBAR AT A DISTANCE OF 68.00 FEET, FOR A TOTAL DISTANCE OF 195.49 FEET TO A #5 REBAR;
- 3. THENCE N 13° 47' 22" E, A DISTANCE OF 155.55 FEET, TO A #5 REBAR;
- 4. THENCE N 09° 20' 39" W, A DISTANCE OF 48.00 FEET TO A #5 REBAR;
- 5. THENCE N 46° 53' 42" W, A DISTANCE OF 123.80 FEET TO A #5 REBAR, AT THE NORTHWEST CORNER OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER, DEED BOOK 2631 PAGE 108;

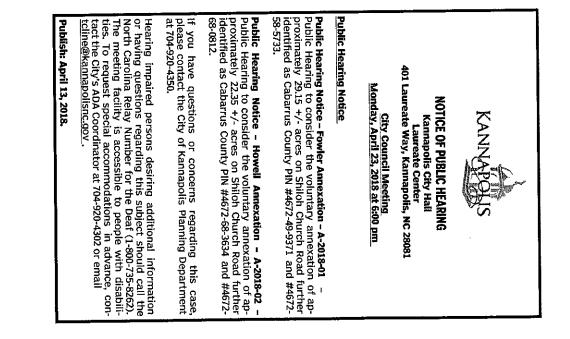
THENCE N 89° 26' 35" E, ALONG THE NORTHERLY LINE OF SAID DEED BOOK 2631 PAGE 108, PASSING A #5 REBAR AT 94.09 FEET, PASSING A #5 REBAR AT 338.28, FOR A TOTAL DISTANCE OF 462.91 FEET TO A #5 REBAR AT THE NORTHEAST CORNER OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER, DEED BOOK 2631 PAGE 108;

THENCE S 08° 32' 37" E, ALONG THE EASTERLY LINE OF THE LANDS OF BRETT L. FOWLER AND WIFE STEWART VAN EVERY FOWLER, DEED BOOK 2631 PAGE 108, A

DISTANCE OF 827.71 FEET, TO A #5 REBAR, SAID EXISTING #5 REBAR BEING THE TRUE POINT OF BEGINNING.

THE ABOVE DESCRIBED PROPERTY CONTAINS 435,819 SQ. FT (10.005 AC)

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City of Kannapolis City Council Meeting April 23, 2018 Staff Report

TO:	Mayor and City Council
FROM:	Zachary D. Gordon, AICP, Planning Director
TITLE:	Public Hearing - Unified Development Ordinance Amendment - Board of Adjustment Voting

A. Action Requested by City Council

1. Hold Public Hearing for Case #TA 2018-03

2. Adopt a Statement of Consistency for Case # TA 2018-03

3. Adopt an Ordinance to Amend text of UDO

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

Currently the UDO requires a 4/5th vote for administrative appeals and variances decided by the BOA. State statute only requires a 4/5th vote for variances. The proposed amendment would only require a 4/5th vote for variance decisions; all other actions by the BOA would require a simple majority vote.

The Planning and Zoning Commission voted unanimously to recommend City Council approval of TA-2018-03 at its April 4, 2018 meeting.

A first reading of the proposed text amendment occurred at Council's April 9th meeting.

D. Fiscal Considerations

None

E. Policy Issues

The proposed text amendments to the UDO are shown below as <u>additions</u> and deletions (strikethrough).

Section 3.7. APPEALS AND VARIANCES 3.7.1 APPLICATION.

The Board of Adjustment (BOA), may decide appeals of administrative interpretations and decisions and may grant variances from the requirements of this Ordinance. (1)Approval requires a 4/5 vote, vacant positions or members who are excused from voting (but not abstentions) shall not be considered "members of the Board" in determining 4/5 approval

The concurring vote of four-fifths of the board shall be necessary to grant a variance. A majority of the members shall be required to decide any other quasi-judicial matter or to determine an appeal made in the nature of certiorari. For the purposes of this subsection, vacant positions on the board and members who are disqualified from voting on a quasi-judicial matter shall not be considered members of the board for calculation of the requisite majority if there are no qualified alternates available to take the place of such members.

F. Legal Issues

None

G. Alternative Courses of Action and Recommendation

Planning staff concurs with the recommendation of the Planning and Zoning Commission and recommends City Council adoption of TA #2018-03.

The following actions are required to approve TA #2018-03:

1. Motion to approve a Resolution to Adopt a Statement of Consistency (attached)

2. Motion to approve an Ordinance to Amend Section 3.7.1 of the Unified Development Ordinance (attached)

The following are alternate actions to the approval of TA #2018-03:

1. Take no action.

- 2. Refer TA-2018-03 back to the Planning and Zoning Commission with recommendations
- 3. Table action to a future meeting

ATTACHMENTS:

File Name

- 1_Signed_Application.pdf
- April_9_2018_Legal_Ad.pdf
- D TA-2018-03_CC-Statement_of_Consistency.pdf
- D Ordinance_to_amend_text_of_UDO_-_TA_2018-03.pdf



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

Type of Action Requested (Check One): **SIA** Application Variance Conditional Use Permit Nonconformity Adjustment Watershed Boundary Modification Subdivision Exception Zoning Map Amendment Zoning Text Amendment Conditional Zoning Map Amendment Appeal Applicant: Zachary D. Gordon, AICP Owner: Address: Address: 401 Laureate Way Kannapolis, NC 28081 Telephone: 704-920-4350 Telephone: zgordon@kannapolisnc.gov Email: Email: Legal relationship of applicant to property owner: Planning Director Property Location/Address: Tax Parcel Number:Zoning District:Acreage of Site: Zachary D. Gordon, AICP Property Owner Name (Print) Applicant Name (Print) Applicant Signature & Date Property Owner Signature & Date

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

 For Staff Use Only:

 Filing Fee:
 Receipt # ______

 Application No.:
 Date Submitted (Complete):

 Last Updated: 10/27/2015



CITY OF KANNAPOLIS

AN APPLICATION TO AMEND THE TEXT OF THE UNIFIED DEVELOPMENT ORDINANCE

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

Section 3.7.1.

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

See attached staff report

State your reasons for amending the text of the Ordinance:

See attached staff report

Signature of applicant

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

STAFF	USE ONLY		
Scheduled Planning Commission meeting date	:		
Dates advertised in newspaper:	and		
Planning Commission recommendation: Recommended changes to proposed	text:		
			<u></u>
City Council Meeting Date:			
Dates advertised in newspaper:	and		
City Council Decision: Changes to proposed text:			
		· · ·	
Date written notice of final decision sent to app	olicant:		

CITY OF KANNAPOLIS

MEMORANDUM

TO:	Amanda Boan
	The Independent Tribune
FROM:	Pam Scaggs, Administrative Assistant
DATE:	March 29, 2018
SUBJECT:	Display Ad

Please publish this Notice of Public Hearing as a <u>display ad</u> in the non-legal section of *The Independent Tribune*.

Publish dates: Friday, March 30, 2018 Friday, April 6, 2018

Send invoice and affidavit of publication to: pscaggs@kannapolisnc.gov

Call me at 704-920-4350 if you have any questions.

Thank you. Pam Scaggs pscaggs@kannapolisnc.gov



NOTICE OF PUBLIC HEARING Kannapolis City Hall Laureate Center 401 Laureate Way, Kannapolis, NC 28081

City Council Meeting Monday, April 9, 2018 at 6:00 pm

Public Hearing Notice

Public Hearing Notice – Zoning Text Amendment – TA-2018-03 – Public Hearing to consider a text amendment to Section 3.7.1 of the Unified Development Ordinance amending the voting requirements for Board of Adjustment (BOA) actions.

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

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

RESOLUTION TO ADOPT A STATEMENT OF CONSISTENCY WITH REGARD TO TEXT AMENDMENT CASE# TA-2018-03

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

WHEREAS, the text amendment to Article 3, Section 3.7.1., amending the voting requirements for Board of Adjustment (BOA) actions, is not inconsistent with the *Move Kannapolis Forward* 2030 Comprehensive Plan and is consistent with North Carolina state statutory voting requirements for the Board of Adjustment. Furthermore, the City Council finds this text amendment to be reasonable and in the public interest because the amendment will make the UDO requirements for BOA voting consistent with the State's statutory requirements for BOA actions; and

WHEREAS, the City Council conducted a Public Hearing on April 23, 2018 for consideration of Case # TA-2018-03 as submitted by the Planning Department staff;

NOW, THEREFORE BE IT RESOLVED that the City Council finds the text amendment as represented in Case #TA-2018-03, not inconsistent with the *Move Kannapolis Forward 2030 Comprehensive Plan* and consistent with state statutory voting requirements for the Board of Adjustment, reasonable, and in the public interest, and is recommended for approval by the City Council based on consideration of the application materials, information presented at the Public Hearing, and the recommendation provided by Staff.

Adopted this the 23rd Day of April, 2018;

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC City Clerk

AN ORDINANCE TO AMEND TEXT OF THE UNIFIED DEVELOPMENT ORDINANCE, ARTICLE 3, SECTION 3.7.1 CASE # TA-2018-03

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

WHEREAS, per Section 3.8 of the UDO, the Planning and Zoning Commission, at its regular meeting on April 4, 2018, recommended City Council approval of a text amendment amending the voting requirements for Board of Adjustment (BOA) actions; and

WHEREAS, City Council conducted a public hearing on April 23, 2018 to consider an amendment to Section 3.7.1 of the UDO; and

WHEREAS, the proposed amendment is not inconsistent with the goals and policies of the *City of Kannapolis Move Kannapolis Forward 2030 Comprehensive Plan*, reasonable and in the public interest as detailed in the "Resolution to Adopt a Statement of Consistency for Text Amendment Case # TA-2018-03";

NOW, THEREFORE, BE IT ORDAINED, by the Kannapolis City Council that Section 3.7.1 of the UDO be amended as follows:

The proposed text amendments to the UDO are included below as <u>additions</u> and deletions (strikethrough):

3.7. APPEALS AND VARIANCES

3.7.1 APPLICATION.

The Board of Adjustment (BOA), may decide appeals of administrative interpretations and decisions and may grant variances from the requirements of this Ordinance. Approval requires a 4/5 vote, vacant positions (but not abstentions) shall not be considered "members of the Board" in determining 4/5 approval. The concurring vote of four-fifths of the Board shall be necessary to grant a variance. A majority of the members shall be required to decide any other quasi-judicial matter or to determine an appeal made in the nature of certiorari. For the purposes of this subsection, vacant positions on the Board and members who are disqualified from voting on a quasi-judicial matter shall not be considered members of the Board for calculation of the requisite majority if there are no qualified alternates available to take the place of such members.

ADOPTED this the 23rd Day of April, 2018.

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC City Clerk



City of Kannapolis City Council Meeting April 23, 2018 Staff Report

TO:	Mayor and City Council
FROM:	Irene Sacks, Director of Economic & Community Development
TITLE:	College Station Leases

A. Action Requested by City Council

Motion to authorize the City Manager to execute leases for 473 N. Cannon Blvd. and for 477 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 underway, the City engaged a broker to market the remaining commercial spaces to attract new tenants.

Chip Mark with Mark Real Estate Advisors has brought the following new leases to the City for approval:

- Five-year lease of 473 N. Cannon Blvd to Arturo Sanchez to remain as an existing ice cream store.
- Five-year lease of 477 N. Cannon Blvd to Donae Hancock for a hair salon and apparel boutique.

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

D. Fiscal Considerations

The two leases will generate approximately \$28,000 in the first year in revenue to the City as owners of the Shopping Center (with annual increases).

E. Policy Issues

None

F. Legal Issues

None

G. Alternative Courses of Action and Recommendation

- 1. Motion to authorize the City Manager to execute leases for 473 N. Cannon Blvd and 477 N. Cannon Blvd. (Recommended)
- 2. Do not authorize the execution of one or both leases.
- 3. Table action to a future meeting.

ATTACHMENTS:

File Name

- D Public_Notice_(473_N_Cannon_Blvd)_4-23-2018.docx
- D Public_Notice_(477_N_Cannon_Blvd)_4-23-2018.docx
- Lease_473_N_Cannon_-_Arturo_Sanchez.pdf



PUBLIC NOTICE LEASE OF CITY PROPERTY

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

473 N. Cannon Blvd Kannapolis, North Carolina

The City intends to lease the property to Arturo Sanchez 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: \$1,133.33, Year 2: \$1,167.33, Year 3: \$1,202.35, Year 4: \$1,238.42, Year 5: \$1,275.57.

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, April 23, 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 **<u>SUNDAY APRIL 15, 2018</u>**

If this date is not acceptable, or any problems please contact immediately: Bridgette Bell, City Clerk (704) 920-4303 bbell@kannapolisnc.gov



PUBLIC NOTICE LEASE OF CITY PROPERTY

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

477 N. Cannon Blvd Kannapolis, North Carolina

The City intends to lease the property to Donae Hancock 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: \$1,200.00, Year 2: \$1,236.00, Year 3: \$1,273.08, Year 4: \$1,311.27, Year 5: \$1,350.61.

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, April 23, 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 WEDNESDAY, APRIL 11, 2018

If this date is not acceptable, or any problems please contact immediately: Bridgette Bell, City Clerk (704) 920-4303 bbell@kannapolisnc.gov

RETAIL CENTER LEASE

3

Between

City of Kannapolis

and

DBA: Frutas Locas

INDEX TO STANDARD COMMERCIAL SHOPPING CENTER

LEASE

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Tenant <u>AS</u> Landlord

STANDARD COMMERCIAL

SHOPPING CENTER LEASE

THE STATE OF NORTH CAROLINA

COUNTY OF

This lease, entered into this day of , , 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":	Arturo Sanchez
d)	Tenant's mailing address:	1201 Stone Street
		Kannapolis, NC 28083
e)	Tenant's trade name:	DBA Frutas Locas
f)	Tenant's address in Shopping Center:	Suite 473

- g) "Premises": approximately 1600 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 <u>Exhibit A</u>, 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 <u>Exhibit B</u>, 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": 60 days from city plan approval ready for occupancy DS
- j) Permitted Use: Ice cream and related food products
- k) Minimum Guaranteed Rental: per month (yr. 1 \$1133.33, yr. 2 \$1167.33, yr. 3 \$1202.35, yr. 4 \$1238.42, yr. 5 \$1275.57)
- Initial Common Area Maintenance Charge per month under Section 5.3: \$100 per month (\$.75 per square foot per year).
- m) Initial Insurance Escrow Payment per month under Section 12.3: \$33.33 per month (\$.25 per square foot per year).
- n) Initial Tax Escrow Payment per month under Section 18.2: \$66.67 per month (\$.50 per square foot per year).
- o) Initial Capital Reserve Payment per month: N/A

Tenant AS

Landiord ____

p) Security Deposit: \$1233.33 (from previous lease with Landlord and applied to this lease)

1.2

The sum of:

	<u>vr. 1</u>	<u>yr. 2</u>	<u>vr. 3</u>	<u>yr. 4</u>	<u>vr.5</u>
Initial Minimum Guaranteed Rental; and	\$1133.33	\$1167.33	\$1202.35	\$1238.42	\$1275.57
Initial Common Area Maintenance Charge; and	\$100	\$100	\$100	\$100	\$100
Initial Insurance Escrow Payment; and	\$33.33	\$33.33	\$33.33	\$33.33	\$33.33
Initial Tax Escrow Payment; and	\$66.67	\$66.67	\$66.67	\$66.67	\$66.67
Initial Capital Reserve Payment; and					
Initial Monthly Payment Total	\$1333.33	\$1367.33	\$1402.35	\$1438.42	\$1475.57

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. <u>Granting Clause.</u> 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.

3.1 Landlord shall Construction and Acceptance of Demised Premises. ARTICLE III. proceed to construct improvements upon the Premises in compliance with the "Description of Landlord's Work" in Exhibit C attached hereto, 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 by 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.

Tenant AS Landlord

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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 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 July 1, 2018, The Commencement Date of this lease shall be on July 1, 2018, 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. <u>Monthly Payment.</u> 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.

5.1 The "Common Area" is the part of the Shopping Center ARTICLE V. Common Area. 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 as shown on Exhibit A as well as the location, dimensions, identity and type of any building shown on Exhibit A 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 shown on Exhibit A. 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 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 which 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.

Tenant AS Landlord

5.2 Landlord shall construct, at its sole cost and expense, a hard surface parking area within the shopping Center as shown on Exhibit A or in reasonable proximity thereto, it being expressly agreed, however, that in addition to the rights reserved to Landlord in Section 6.1 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.

Tenant agrees to pay as an additional charge each month its proportionate share of the cost of operation 5.3 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 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 (m).

ARTICLE VI. <u>Use and Care of Premises.</u> 6.1 The Premises may be used only for the purpose or purposes specified in Section 1.j above, and for no other purpose of 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.

Tenant AS

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 advertise that it sells products or services at "discount", "cut-price", or "cut-rate" prices. Tenant shall not permit any objectionable or unpleasant odors to emanate from the Premises, no 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, no place an antenna, awning or other projection on the exterior of the Premises; nor business or distribute leaflets or other solicit advertising material in the Common Area; nor 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, nor 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 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. <u>Maintenance and Repair of Premises.</u> 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 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 8.1 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.

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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 for 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 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 contactor and the contract must be approved by Landlord. The service contract must include all services suggested 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 <u>Alterations.</u> 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

Tenant AS

Landlord _____

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 selected from an Approved Contractor List to be furnished 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 selected from and Approved Engineers List to be furnished by Landlord, such design work to be done at Tenant's expense.

ARTICLE IX. <u>Landlord's Right of Access; Use of Roof.</u> 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. <u>Signs; Store Fronts.</u> 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 <u>Exhibit F</u>. 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 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.

10.3 Tenant shall pay its prorated cost of electricity if Tenant maintains a sign on Landlord's pylon sign (if any) Furthermore, Tenant waives any liability on the part of Landlord arising out of Tenant's use of the pylon 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. <u>Utilities.</u> 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 <u>Exhibit C.</u> 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 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.

Tenant AS

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. Tenant's 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 XIX 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 it 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(n) 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 of 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;

Tenant \underline{AS}

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. <u>Non-Liability for Certain Damages</u> 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, no shall Landlord by 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 oneyear period.

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

In the event that the Premises shall be damaged or destroyed by fire or other casualty insurable under 14.2 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 untenatable 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 it 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, 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 <u>Exhibit C</u> 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 <u>Exhibit C</u>.

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 causality 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.

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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 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. <u>Eminent Domain.</u> 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 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 <u>Exhibit C</u> 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 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.

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16.1 Tenant shall not assign or in any manner ARTICLE XVI. Assignment and Subletting. 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. <u>Property Taxes.</u> 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 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 18.2 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(o) 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 guestion, and the monthly Tax Escrow Payment is subject to increase or decrease as determined by Landlord to share of the Taxes.

Tenant AS

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.

17.5 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.

17.6 Any payment to be made pursuant to this Article XVIII 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. <u>Default by Tenant and Remedies.</u> 18.1 The following events shall be deemed to be events of default by Tenant under this lease:

- 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 adjudged bankrupt or insolvent in proceedings filed against Tenant or any guarantor of Tenant's obligations under this lease shall be adjudged bankrupt or this lease shall be adjudged bankrupt or 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 shall be adjudged bankrupt or insolvent in proceedings field against Tenant or any guarantor of Tenant's obligations under this lease.
- 5.) A receiver of 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.

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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 releting the Premises during said period (after deducting expenses incurred by Landlord as provided in Section 19.5 hereof). In no event shall Tenant be entitled to any excess of any rental obtained by releting over and above the rental herein reserved. Actions to collect amounts due by Tenant to Landlord in this Section 19.4 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.

18.6 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 releting 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

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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.

18.7 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.

Upon receipt from Tenant of the sum stated in Section 1.1(g) above, such sum shall be held by Landlord 18.8 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 of 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.

18.9 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 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.

In the event that Landlord shall have taken possession of the Premises pursuant to the authority herein 18 11 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 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.

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18.12 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. <u>Mechanics' Liens.</u> 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. <u>Holding Over.</u> 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 expiration of this lease without Landlord's consent, Tenant shall also pay to Landlord all expiration of this lease portion of possession by Tenant, including without limitation the loss of any proposed subsequent tenant for any portion of the Premises.

ARTICLE XXI. <u>Subordination</u>. 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 mortgage shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this lease. Landlord is nearby 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. <u>Merchant's Association</u>, 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. <u>Notices.</u> 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 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 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.

Tenant AS

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 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 XXVI. <u>Miscellaneous.</u> 26.1 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.

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

26.4 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.

26.5 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.

26.6 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.

26.7 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.

26.8 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 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.

* There is no article 25.

Tenant

26.9 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.

26.10 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.

26.13 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 XXVII. 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, which is located at 489 North Cannon Blvd., 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 (XS

	EXECUTED BY LANDLORD, this	day of	, 20
LANDL	ORD:	WITNESS:	
			_
By:			
lts:			

EXECUTED BY TENANT, this 11th day of April , 20 11.

TENANT:

ATTEST / WITNESS:

Artur Sanly

I

By:

lts:

This lease is subject to approval by city manager of the City of Kannapolis, its designee or its city council.

Tenant <u>AS</u>

ADDENDUM "A" HAZARDOUS MATERIALS

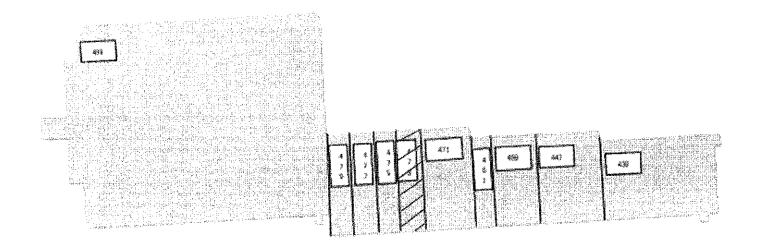
- As used in this Rider, the term "Hazardous Materials" shall mean any element, compound, mixture, solution, particle or substance which is dangerous or harmful or potentially dangerous or harmful to the health or welfare of life or environment, including but not limited to explosives, petroleum, petroleum 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).
- 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 QS

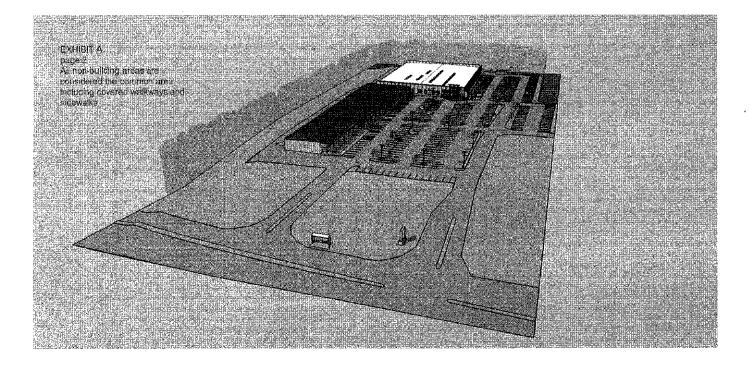
EXHIBIT A

Shopping Center Site Plan Showing Premises

Plus Exhibit A continued



Tenant K Landlord



Tenant <u>A</u>

EXHIBIT B

Legal Description

To be provided at a later date.

Tenant <u>AS</u>

EXHIBIT C

Description of Landlord's Work and Tenant's Work

1. Tenant agrees to accept the demised premises in its existing condition

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Tenant AS

Landlord _____

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:

- 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 littler or hazards of any kind (Tenant agrees to crush boxes and deposit in trash container);
 - 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.
- 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.

Tenant AS

Landiord ____

EXHIBIT D

Page Two

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 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 were 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 of 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, no 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.

Tenant AS

Landlord ____

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;
- Maintenance of sprinkler systems (both fire and irrigation) serving the Shopping Center and/or Common Area;
- Insurance, including, without limitation, liability insurance for personal injury, death and property damage, insurance against fire, extended coverage, theft or other causalities, 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;
- 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 (eased 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;

Tenant PS

EXHIBIT E

Page Two

- 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);
- 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. Provided there should be no duplication of costs in this <u>Exhibit E</u> with any costs Tenant is responsible to pay in other provisions of the Lease Agreement to which this Exhibit is attached.

Tenant 125

EXHIBIT F

Sign Criteria

To be provided at a later date

Tenant <u>AS</u> Landlord _____

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April 9, 2018		an a

To All Incoming Tenants of College Station Shopping Center:

We are excited to have your business open at College Station. Please make sure that you comply with these requirements for locating a new business in Kannapolis:

- Check with the Planning Department to obtain a zoning clearance permit for your business use in this location. Call 704-920-4350 for the Planning Dept. Zoning clearance permit application is available on the City's website - <u>http://www.kannapolisnc.gov/Government-Departments/Planning/Applications-Permits-Documents</u>
- Contact the Fire Department's inspector, Shane Pethel, at 704-920-4280 or <u>spethel@kannapolisnc.gov</u> before doing any work inside the building.
- If you are removing /adding walls or doing anything with plumbing or electrical, you will also need a building permit from Caberrus County Construction Standards Department. https://www.caberruscounty.us/departments/construction-standards
- If you have a security alarm installed at your business, you must register it with the Police Department. More information can be found here: <u>http://www.kannapolisnc.gov/Government-Departments/Police/Frequently-Asked-Questions</u>

Note: There may be licenses or other requirements that you need to obtain through the state or other agencies in order to operate your business. This letter addresses only the City of Kannapolis permitting requirements. For finks to other agencies, you can start here: http://www.kannapolisnc.gov/Business/Starting-a-Business

If you have questions, please feel free to contact me at isacks@kannapolisnc.gov or 704-929-4326.

Sincerely,

June 8m

Irene Sacks Director of Economic & Community Development

401 LAUREATE WAY, KANNAPOLIS, NC 28081 704-920-4333 / www.kannapolisnc.gov

Tenant

Landlord _____

Lease addendum B The following clarifications are made to the referenced sections of this lease agreement:

10.3 - instead of "Landlord's pylon sign", replace with "Landlord's property sign"

12.2 - refers to Article XIX , change to Article XVIII

12.3 - refers to Section 1.1 (n) - change to 1.1 (m)

17.2 - refers to Section 18.2 - change to 17.2; and change Section 1.1(o) to 1.1 (n)

17.6 – refers to Article XVIII, change to Article XVII

18.8 – refers to Section 1.1 (q), change to 1.1 (p)

I,



City of Kannapolis City Council Meeting April 23, 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) <u>MOTION TO ADJOURN</u>

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