

KANNAPOLIS CITY COUNCIL MEETING AGENDA Kannapolis City Hall 401 Laureate Way, Kannapolis NC May 29, 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. National Home Owners Month
- 2. Red Day

APPROVAL/CORRECTION OF MINUTES

- 1. May 14, 2018 Regular Meeting
- 2. Closed Session Minutes May 14, 2018

CONSENT AGENDA - Motion to Adopt Consent Agenda or make revisions

1. Budget Amendment for Fire Truck Acquisition and Economic Development Incentive Grant (Eric Davis)

BUSINESS AGENDA

- A. PUBLIC HEARING Text Amendment Section 4.16.6 of the Unified Development Ordinance to allow for the transfer of impervious development rights within a Watershed Protection Overlay District (Zachary D. Gordon) Second Reading
- B. Resolution Approving Agreement for the Exchange of Real Property with Atlantic American Properties, Inc. (Wilmer Melton and Wally Safrit)
- C. City Manager's Recommended Budget FY2018-2019 (Mike Legg, City Manager)
- D. Resolution directing the filing of the budget for Fiscal Year Beginning July 1, 2018 through June 30, 2019 with the City Clerk and calling for a Public Hearing on the recommended budget (Mike Legg, City Manager)

CITY MANAGER REPORT

CITY COUNCIL COMMENTS

SPEAKERS FROM THE FLOOR

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)

UPCOMING SCHEDULE

June 11, 2018 June 25, 2018 July 09, 2018 July 23, 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 PROCLAMATION

NATIONAL HOME OWNERSHIP MONTH

WHEREAS, home ownership is an important part of the American Dream; and

WHEREAS, home ownership provides shelter and a safe place for families to enjoy one another while creating lasting relationships within the community; and

WHEREAS, home ownership encourages personal responsibility and the values necessary for strong families; where home ownership flourishes, neighborhoods are more stable, residents are more civic-minded; and

WHEREAS, more than 70 years ago, the National Housing Act was signed into law, making home ownership available to millions of families, who previously could not afford to buy their own home; and

WHEREAS, it is appropriate and fitting that we recognize the value of home ownership, the benefits to Kannapolis, our residents, and to our community; and

WHEREAS, during National Home Ownership Month, the City of Kannapolis encourages all residents to learn more about financial management and explore home ownership opportunities in the community. By taking this important step, individuals and families help safeguard their financial futures and contribute to the strength of our Nation.

NOW, THEREFORE, I, M. DARRELL HINNANT, Mayor of the City of Kannapolis, by virtue of the authority vested in me as Mayor, do hereby proclaim the month of June 2018 as:

"NATIONAL HOME OWNERSHIP MONTH"

in the City of Kannapolis and encourage all citizens, private industries, and community groups to join me in recognizing the importance of offering every American the opportunity to realize their dream of home ownership and to help work towards making that dream a reality.



IN WITNESS THEREFORE, I have set my hand and caused the Great Seal of the City of Kannapolis to be affixed this 29th day of May, 2018.

Melton D. Hinnand



Office of the Mayor KANNAPOLIS, NORTH CAROLINA PROCLAMATION

WHEREAS, Keller Williams Realty, Incorporated recognizes a significant need to give back to communities by performing charitable acts within the communities; and

WHEREAS, Keller Williams Realty designated and sponsored one day to encourage and allow its associates and other real estate professionals to sponsor and conduct charitable acts, and has named and marketed that day as **RED** Day; and

WHEREAS, RED stands for Renew Energize Donate and RED Day has inspired thousands of real estate professionals across the globe to volunteer in their local communities; and

WHEREAS, RED Day volunteers have helped rebuild houses, nursing homes, children's camps, animal shelters, clean parks and provide meals and activities for the elderly; and

WHEREAS, RED Day volunteers model the best in citizenship and create a climate of goodwill that grows every year.

NOW, THEREFORE, I, MILTON D. HINNANT, Mayor of the City of Kannapolis, North Carolina by virtue of the authority vested in me as Mayor, do hereby proclaim May 10, 2018 as:

"RED DAY"

in the City of Kannapolis to recognize and encourage the efforts of Real Estate Professionals across the globe to volunteer one day of service in their local communities.



IN WITNESS THEREFORE, I have set my hand and caused the Great Seal of the City of Kannapolis to be affixed this 29th day of May, 2018.

Melton D. Hinnand

1	CITY OF KANNAPOLIS				
2	COUNCIL MEETING MINUTES				
3	May 14, 2018				
4					
5	A regular meeting of the City	y Council of the C	ity of Kannapolis, North Carolina was held on		
6	Monday, May 14, 2018 at 6:0	00 p.m., at the Kan	napolis City Hall located at 401 Laureate Way,		
7	Kannapolis, NC.				
8					
9	CITY COUNCIL MEMBER	RS PRESENT:			
10					
11	Mayor:	Milton D. Hinnan	ıt .		
12					
13	Council Members:	Ryan Dayvault			
14		Roger Haas			
15		Van Rowell			
16		Diane Berry			
17		Doug Wilson			
18		Tom Kincaid			
19					
20	Council Members Absent:	None	Y		
21			♦		
22	City Manager:	Mike Legg			
23		<u> </u>			
24	Deputy City Manager:	Eddie Smith	Y		
25			·		
26	City Clerk:	Bridgette Bell			
27					
28	Staff Present:	Ernie Hiers	Annette Privette Keller		
29		JW Chavis	Terry Clanton		
30		Tony Eury	David Hancock		
31		David Jordan	Irene Sacks		
32		Trent Marlow	Ryan Hvitløk		
33		Wilmer Melton	Donie Parker		
34					
35	Visitors Present:	Jamie Beach	Joe Yurco		
36	·	Jeremy Page	Angelo Markantonakis		
37		David L. Horne	Scott C. Boggs		
38		Shari Whiting	Timothy S. Lafferty		
39		Megan Baker	Cory Kluttz		
40		David Zenka	•		
			Justin Scarborough		
41		Stephen Johnson	Russell Miller		
42		Robert Carson	Bryson Nesbitt		
43		Ron Byrd	Christopher Fisher		
44		Scott Crainshaw	Jacob Huneycutt		
45		Norman Hill	Donald Newton		
46		Keith Benfield	Wesley Wilson		

1	Nathan Lambert	Markus Deal
2	Chris Howard	Nicholas Corn
3	Hunter Ward	Joe Gaylan
4	Chance Ross	Travis Kiser
5	Taylor Beverly	Brett Wilhelm
6	Alex Quigley	Joe VanSkiver
7	Chris Hill	Jennifer Hyatt
8	Dale Burris	Brent Rowland
9	Lauren Smith	Justin Smith
10	Jason Hinson	Brandon Wagner
11	James Livengood	Bret Johnson
12	Jason West	Allen Tomlin
13	Michael Smith	Brad Jordan
14	Jon Jenkins	Tyler Karriker
15	Travis Rector	Hunter Bradley
16	Travis Furr	Thomas Barnhardt
17	Robin Pope	
	=	

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CALL TO ORDER AND WELCOME:

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

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FIRST READING:

Text amendment to Section 4.16.6 of the Umfied Development Ordinance to allow for the transfer of impervious development rights within a Watershed Protection Overlay District (Zac Gordon) (Copy included as Exhibit A)

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PROCLAMATIONS:

Mayor Hinnant proclaimed Monday, May 28th as Memorial Day and the week of May 13 through 19th as National Police Week and Peace Officers Memorial Day.

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ADOPTION OF AGENDA:

Council Member Dayvault made a motion to approve the agenda. Motion was seconded by Council Member Haas and approved by unanimous vote.

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APPROVAL/CORRECTION OF MINUTES:

Motion was made by Council Member Kincaid to approve the meeting March 08, 2018 continued meeting minutes. Motion was seconded by Mayor Pro tem Berry and approved by unanimous vote.

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Motion was made by Council Member Wilson to approve the meeting March 10, 2018 continued meeting minutes. Motion was seconded by Council Member Dayvault and approved by unanimous vote.

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- Motion was made by Council Member Dayvault to approve the meeting April 09, 2018 regular meeting minutes. Motion was seconded by Council Member Kincaid and approved by unanimous
- vote.

Motion was made by Mayor Pro tem Berry to approve the meeting April 23, 2018 regular meeting minutes. Motion was seconded by Council Member Wilson and approved by unanimous vote.

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Motion was made by Council Member Kincaid to approve the March 10, 2018 closed session minutes. Motion was seconded by Council Member Wilson and approved by unanimous vote.

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Motion was made by Mayor Pro tem Berry to approve the April 09, 2918 closed session minutes.

Motion was seconded by Council Member Dayvault and approved by unanimous vote.

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Motion was made by Council Member Wilson to approve the April 23, 2018 closed session minutes. Motion was seconded by Council Member Haas and approved by unanimous vote.

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CONSENT AGENDA

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

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Resolution Authorizing Assignment of Easements and Deed to City of Concord (Wilmer Melton and Wally Safrit) (Copy included as Exhibit B)

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Resolution authorizing the City of Kannapolis to engage in electronic payments (Eric Davis) (Copy included as Exhibit C)

222324

Request 25 MPH Speed Limit Modification of Pendleton Drive (Wilmer Melton) (Copy included as Exhibit D)

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BUSINESS AGENDA

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NCDOT Reimbursement Agreement - Train Station Improvements; Approve Reimbursement Resolution and Budget Ordinance Amendment (Irene Sacks and Annette Privette Keller) (Copy included as Exhibit E)

NC DOT Rail is willing to pay for wayfinding improvements at the Train Station. These include a new sign with a clock in front of the building, lettering on the building facing Main St, metal awnings facing Main St, and a few wayfinding signs near the entrance of the building and parking lot. Staff has been working with designer Buzz Bizzell on these to match the citywide wayfinding package. The proposed agreement with DOT would have the City contract for the improvements, with reimbursement by DOT.

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- NCDOT will reimburse the City up to \$42,388.89 for the cost of improvements. This amount is sufficient to cover the scope of work proposed. On the front of the building will be prismatic stud
- 41 letters spelling out KANNAPOLIS TRAIN STATION to help create a senses of arrival and a
- memorable image for the City. Wayfinding signage will direct passengers to the right place and
- parking signage will encourage visitors to explore downtown shops and restaurants. Stationed on
- 44 the front corner will be a nine foot free standing sign with a working clock; a classic iconic image
- for the train station. The sign will be five foot wide and will show the Amtrak schedule. The back

of the sign will have a map of downtown Kannapolis. Other wayfinding signs will exhibit directions to City Hall, the NCRC and Dale Earnhardt Tribute Park.

Following general discussion, Council Member Dayvault made a motion to approve the Reimbursement Resolution. Motion was seconded by Mayor Pro tem Berry and approved by unanimous vote.

Council Member Dayvault made a motion to approve the Budget Ordinance amendment. Motion was seconded by Mayor Pro tem Berry and approved by unanimous vote.

Request to consider withdrawal from dedication a portion of R-O-W known as Macedonia Church Road and establish the Public Hearing date. (Wilmer Melton) (Copy included as Exhibit F)

The City has received a petition from a property owner requesting the closure of a portion of R-O-W known as Macedonia Church Road to facilitate the Amazon Project. All necessary documents have been received. Staff has reviewed all documents and finds no reason to deny the request for closure. The approval of this recommendation is in keeping with the practice of City Council of vacating easements that are no longer necessary for public use, returning the land to private ownership.

Standard procedure to close a ROW is that Staff will post a copy of the Resolution at the requested site, advertise in a local newspaper for four consecutive weeks the notice of closure and set a public hearing date of June 11, 2018. Additionally, the petitioner will be notified of the public hearing.

City Manager Legg noted that the NCDOT has abandoned the right of way.

There being no further discussion, Council Member Kincaid made a motion to approve the Resolution stating the intent of the City to consider withdrawal from dedication a portion of R-O-W known as Macedonia Church Road and set a public hearing date for June 11, 2018. Motion was seconded by Council Member Wilson and approved by unanimous vote.

32 CITY MANAGER REPORT:

Mr. Legg gave an update on the proposed Fisher town annexation.

Mr. Legg reported that the NCDOT has funding to build a tunnel or overhead pedestrian crossing to put a second platform at the train station. More information to come.

<u>CITY COUNCIL COMMENTS</u>: Mayor Hinnant reported last week the rail crossing at Cooks Crossing and Winecoff School Road had been blocked by a train. He was told that Norfolk Southern has implemented a plan that they will not block the crossings at West 18th, First Street, and Rogers Lake Road.

CLOSED SESSION:

- Mayor Pro tem Berry made a motion to go into closed session pursuant to G.S. 143.318.11 (a) (3)
- 45 for consulting with an attorney in order to preserve the attorney-client privilege and G.S.
- 46 143.318.11 (a) (4) for discussing matters related to the location or expansion of industries or

1	businesses in the area. Motion was seconded by Council Member Wilson and approved by
2	unanimous vote.
3 4	Council went into closed session at 6:20 PM.
5	Council went into closed session at 0.20 I W.
6	Council Member Wilson made a motion to come of out closed session. Motion was seconded by
7	Council Member Dayvault and approved by unanimous vote.
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9	Council resumed regular session at 7:15 PM.
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11	There being no further business, Council Member Haas made a motion to adjourn. Motion was
12 13	seconded by Council Member Kincaid and approved by unanimous vote.
13	The meeting adjourned at 7:15 PM on Monday, May 14, 2018.
15	The incetting adjourned at 7.15 TWI on Worlday, Way 14, 2010.
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20 21 22 23 24	Milton D. Hinnant, Mayor
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22 23	
23	Bridgette Bell, MMC, NCCMC
25	City Clerk
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City of Kannapolis City Council Meeting May 29, 2018 Staff Report

TO: Mayor and City Council

FROM: Eric Davis, Finance Director

TITLE: Budget Amendment for Fire Truck Acquisition and Economic

Development Incentive Grant

A. Action Requested by City Council

Motion to approve a Budget Amendment for Fire Truck Acquisition and Economic Development Incentive Grant

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

The proposed Budget Amendment 18-18 covers two separate actions. Both are pulling funds from the City's Fund Balance to pay for non-recurring operational items. The first item is for \$1,340,000. This is the economic development incentive grant to the TPA group for the Amazon distribution center.

The second item is for \$700,000 for the acquisition of a Fire Engine. This purchase was originally slated for a debt issuance. However, due to future capital needs, staff is recommending that this purchase be made with fund balance, thereby avoiding interest costs and allowing for slightly more capacity in the operating budget over the next 10 years.

D. Fiscal Considerations

Utilizing fund balance for the Fire Truck will increase some capacity in the City's operating budget (approximately \$60,000 annually) for the next 10 years.

E. Policy Issues

None

F. Legal Issues

The economic development incentive grant is executed through a contract with the TPA group (Amazon).

G. Alternative Courses of Action and Recommendation

- 1. Approve a Budget Amendment for Fire Truck Acquisition and Economic Development Incentive Grant (Recommended)
- 2. Do not approve a Budget Amendment for Fire Truck Acquisition and Economic Development Incentive Grant
- 3. Table to a future meeting.

ATTACHMENTS:

File Name

□ TPA_Fire_Truck_5-29-18.pdf

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

BE IT ORDAINED by the City Council of the City of Kannapolis, North Carolina meeting in open session this 29th day of May 2018, that the following amendment to the Budget Ordinance for the City of Kannapolis, North Carolina for the Fiscal Year beginning July 1, 2017 and ending June 30, 2018 is hereby adopted:

SECTION I - General Fund			
Expenditures:			
Increase Economic Development Incentive Grant Expenditure: 11115-51310	\$1,340,000		
Increase Fire Emergency Services Capital Outlay Expenditure: 12540-59000	\$ 700,000		
Revenues:			
Increase Appropriated Fund Balance Revenue: 19900-39900	\$2,040,000		
This ordinance is approved and adopted this 29 th day of May, 2018.			
Milton D. Hinnar	Milton D. Hinnant, Mayor		
ATTEST:			
Bridgette Bell, MMC, NCCMC City Clerk			



City of Kannapolis City Council Meeting May 29, 2018 Staff Report

TO: Mayor and City Council

FROM: Zachary D. Gordon, AICP, Planning Director

Public Hearing -Text Amendment TA-2018-04 Transfer of Impervious

Development Rights

A. Action Requested by City Council

1. Hold Public Hearing for Case TA-2018-04

2. Adopt a Statement of Consistency for Case TA-2018-04

3. Adopt an Ordinance to Amend text of UDO

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

Planning staff was approached by a developer of a parcel at the southeast corner of Lane Street and China Grove Road. The property is located in the Lake Fisher Critical Area which limits maximum built-upon area to 24% of the site area. The developer asked if the City would allow them to purchase another property in the watershed and count both pieces together as a paired parcel. The additional parcel would allow a for the built upon area to be allocated to development on the first parcel, while the 24% built-upon limit would still apply, the additional parcel would allow for greater coverage on the parcel to be developed. The parcel which transferred the density would be held in conservation for perpetuity, thereby preventing any development to occur. Staff researched this request and determined the UDO did not have any provision to allow this. Further research found that N.C.G.S. § 143-214.5. allowed for this transfer through a process called density averaging.

The proposed amendment was drafted after reviewing state law as well as reviewing ordinances from Huntersville, Dunn, and Harnett County. The proposed amendment would allow for density averaging after the review of the Watershed Review Board (Planning & Zoning Commission) and the issuance of a Density Averaging Certificate. The parcel that is transferring their allowed density to another parcel would be protected from future development via recorded plat, owner's covenants, and recorded deed.

The conservation would be irrevocable. Staff believes this amendment is in compliance with State law and will provide for orderly and distributed development in the watersheds.

The Planning and Zoning Commission voted unanimously to recommend City Council approval of TA-2018-04 at its May 2, 2018 meeting. A first reading of the proposed text amendment occurred at Council's May 14, 2018 meeting.

D. Fiscal Considerations

None

E. Policy Issues

See attachment with proposed text amendments to the UDO

F. Legal Issues

None

G. Alternative Courses of Action and Recommendation

Planning staff concurs with the recommendation of the Planning and Zoning Commission and recommends City Council adoption of TA-2018-04.

The following actions are required to approve TA-2018-04:

- 1. Motion to approve a Resolution to Adopt a Statement of Consistency (attached)
- Motion to approve an Ordinance to Amend Section 4.16.6 of the Unified Development Ordinance (attached)

The following are alternate actions to the approval of TA-2018-04:

- 1. Take no action.
- 2. Refer TA-2018-04 back to the Planning and Zoning Commission with recommendations
- 3. Table action to a future meeting

ATTACHMENTS:

File Name

- Application_for_Text_Amendment.pdf
- TA_2018-04_Text_Amendment.pdf
- CC_TA-2018-04_Public_Notice_Ad_1.pdf
- TA-2018-04 CC-Statement of Consistency.pdf
- Ordinance_to_amend_text_of_UDO_-_TA_2018-04.pdf



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

Type of Action Requested (Check One): Variance	SIA Application
Conditional Use Permit	Nonconformity Adjustment
Subdivision Exception	Watershed Boundary Modification
Zoning Text Amendment	Zoning Map Amendment
Appeal	Conditional Zoning Map Amendment
	Conditional Zoning Map Millianton
Applicant: Zachary D. Gordon, AICP - Planning Directo	r Owner:
Address: 401 Laureate Way	Address:
Kannapolis, NC 28081	
Telephone: 704-920-4355	Telephone:
Email: zgordon@kannapolisnc.gov	Email:
Legal relationship of applicant to property own	ner:
Property Location/Address:	
	g District: Acreage of Site:
Zachary D. Gordon	
Applicant Name (Print)	Property Owner Name (Print)
Applicant Signature & Date	Property Owner Signature & Date
considered for placement on the next meeting and five (5) copies of any required site plans. However, to remain on the next meeting age by staff to conform to all ordinance standard	nonth preceding the month of the meeting. To be og agenda, the signed application, application fee, for staff review must be submitted by the deadline. nda, fifteen (15) copies of such plans, determined ds, must be submitted at least ten (10) days before and help to cover administrative and notification
For Staff Use Only:	
Filing Fee:	Receipt #
Application No.:	Date Submitted (Complete):



CITY OF KANNAPOLIS

AN APPLICATION TO AMEND THE TEXT OF THE UNIFIED DEVELOPMENT ORDINANCE

following section(s) of the Unified Development Ordinance:		
Section 4.16.6		
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		

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

Date written notice of final decision sent to applicant:

- **4.16.6.1. Density** Averaging. When all of the following conditions are met, two noncontiguous lots, neither of which is publicly held land may be treated in tandem for compliance with the Maximum Development Intensity of Table 4.16-3. Publicly held land include but are not limited to dedicated drainage and open space, parkland, or other land obtained for watershed protection or otherwise protected from development.
- **4.16.6.1.1.** Parcel pairs being submitted for approval under this Section shall be submitted for approval as a single proposal and must be within the zoning jurisdiction of the City of Kannapolis.
- **4.16.6.1.2.** The Maximum Development Intensity of the paired parcel averaged-density development, shall not exceed the development intensity that would be permitted if the parcels were developed separately. The paired parcels shall be located within the same watershed and classification (Critical Area, Protected Area, or Balance of Watershed).
- **4.16.6.1.3.** The paired parcels may include or be developed for residential or non-residential purposed.
- **4.16.6.1.4.** Buffers shall at least meet the appropriate minimum City of Kannapolis water supply watershed protection requirements.
- **4.16.6.1.5.** The portion of the parcel(s) which is not developed as part of the paired parcel, but that is being averaged in the land being evaluated to meet the maximum development intensity, shall remain in an undisturbed vegetated or natural state and placed in permanent conservation through a metes and bounds description on a recorded plat, as well on owner's covenants and individual deed which shall be irrevocable. It shall be noted on the plat that the City shall reserve the right to make periodic inspections to ensure compliance.
- **4.16.6.1.6.** A Density Averaging Certificate (DAC) shall be obtained from the Watershed Review Board to ensure that both parcels considered together meet the standards of the ordinance and that potential owners have record of how the watershed regulations were applied to the paired parcels. Only the owner(s) of both of the paired parcels may submit the application for the DAC. A site plan for both of the parcels showing the built-upon area as well as the protected area, shall be submitted and approved as part of the DAC. If the DAC is granted, no change in

- the approved plan shall be made unless the DAC is amended by the Watershed Review Board. Upon issuance of a DAC, one copy shall be forwarded to the North Carolina Department of Environmental Quality (NC DEQ). Included with the DAC will be the approved plan, recorded plats for both properties, a description of both properties, and documentation reflecting the development restrictions to the paired parcels.
- **4.16.6.1.7.** The area to remain undeveloped shall be recorded in the deed for the parcel to which it applies. The DAC shall be recorded in the deed for each of the parcel in the parcel pair. Both the undeveloped area and the DAC shall be noted on the plat that applies to each parcel.
- **4.16.6.1.8.** Paired parcel averaged-density developments that meet the low-density option development requirements shall transport stormwater runoff from the development by vegetated conveyances to the maximum extent practicable.
- **4.16.6.1.9.** No parcel for which a watershed variance has been granted, or would be required, may be included as part of a parcel pair.
- **4.16.6.1.10.** The Watershed Review Board shall make written findings supported by appropriate calculations and documentation that the paired parcel averaged-density development plan as a whole conforms to the intent and requirements of this Article and Section, and that the proposed agreement assures protection of the public interest.
- **4.16.6.1.11.** Compliance with the above criteria shall be evidence that the parcel pair is consistent with the orderly and planned distribution of development throughout the watershed.

OMMUNITY NEWSPAPERS KIH CAROL

Order Confirmation

Order# 0000465385

Client: KANNAPOLIS, CITY OF

Client Phone: 7049204300

Address: Account #: 3143368

ACTS PAYABLE/MANDA/TEARSHEET KANNAPOLIS NC 28081

> Payor Customer: KANNAPOLIS, CITY OF

Payor Phone 7049204300

Payor Account: 3143368

Payor Address:

ACTS PAYABLE/WANDA/TEARSHI

KANNAPOLIS NC 28081

Fax: 7049337463

byow@kannapolisnc.gov

EMail

Sales Rep

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Pam Ordered By

Payment Amount Total Amount \$525.08 \$525.08

\$0.00 0.00

> Tear Sheets 0 Proofs

Status

Materials

Affidavits

Blind Box

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Payment Method: Credit - Debit Card PO Number:

Tax Amount: Amount Due

Order Notes:

Invoice Text:

0000465385-01 <u>Ad Number</u>

Ad Type CLS Liner

2 X 41 li Ad Size

\$0.00 Color

AdBooker (liner) **Production Method**

Pick Up Number

Production Notes

Production Color

General-Spec Notice Position

C-Announcements Placement

Inserts

Run Schedule Invoice Text:

CON Independent Trib Product and Zone

NOTICE OF PUBLIC HEARING Kannapolis City Hal

Run Dates 5/18/2018, 5/25/2018

NOTICEOFPUBLICHEARINGKANNAPOLISCITYHALLLAUREATECENTER401

LAUREATEWAYKANNAPOLISNC28081CITYCOUNCILMEETINGTUESDAYMA

Y292018AT600PMP

Ad Content Proof

Note: Ad size does not reflect actual ad



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

Tuesday, May 29, 2018 at 6:00 pm City Council Meeting

Public Hearing Notice

Public Hearing Notice - Zoning Text Amendment - TA-2018-04 - Public hearing to consider a text amendment to Section 4.16.6 of the Unified Development Ordinance to allow for the transfer of impervious development rights within a Watershed Protection Overlay District.

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

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

Publish: May 18, 25, 2018.



RESOLUTION TO ADOPT A STATEMENT OF CONSISTENCY WITH REGARD TO TEXT AMENDMENT CASE# TA-2018-04

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 4, Section 4.16.6., allowing for the transfer of impervious development rights within a Watershed Protection Overlay District, is consistent with Policy 7.1.3, Promote Compact Development, of the *Move Kannapolis Forward 2030 Comprehensive Plan*, because density averaging allows for development to be clustered, preserving some land within a watershed permanently, and it is consistent with the allowance for density averaging in State law. Furthermore, the City Council finds this text amendment to be reasonable and in the public interest because the amendment will allow for orderly and distributed development in the watersheds; and

WHEREAS, the City Council conducted a Public Hearing on May 29, 2018 for consideration of Case # TA-2018-04 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-2018-04, is consistent with the *Move Kannapolis Forward 2030 Comprehensive Plan* as well as state statutes, 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 29 th Day of May, 2018;	
	Milton D. Hinnant, Mayor
ATTEST:	
Bridgette Bell, MMC, NCCMC	
City Clerk	



AN ORDINANCE TO AMEND TEXT OF THE UNIFIED DEVELOPMENT ORDINANCE, ARTICLE 4, SECTION 4.16.6 CASE # TA-2018-04

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 May 2, 2018, recommended City Council approval of a text amendment that will allow for the transfer of impervious development rights within a Watershed Protection Overlay District; and

WHEREAS, City Council conducted a public hearing on May 29, 2018 to consider an amendment to Section 4.16.6 of the UDO; and

WHEREAS, the proposed amendment is consistent with the City of Kannapolis *Move Kannapolis Forward* 2030 Comprehensive Plan, as well as state statutes, reasonable and in the public interest as detailed in the "Resolution to Adopt a Statement of Consistency for Text Amendment Case # TA-2018-04";

NOW, THEREFORE, BE IT ORDAINED, by the Kannapolis City Council that Section 4.16.6 of the UDO be amended as follows:

The proposed text amendments to the UDO are included below as additions:

- **4.16.6.1. Density Averaging**. When all of the following conditions are met, two noncontiguous lots, neither of which is publicly held land may be treated in tandem for compliance with the Maximum Development Intensity of Table 4.16-3. Publicly held land include but are not limited to dedicated drainage and open space, parkland, or other land obtained for watershed protection or otherwise protected from development.
 - **4.16.6.1.1**. Parcel pairs being submitted for approval under this Section shall be submitted for approval as a single proposal and must be within the zoning jurisdiction of the City of Kannapolis.
 - **4.16.6.1.2.** The Maximum Development Intensity of the paired parcel averaged-density development, shall not exceed the development intensity that would be permitted if the parcels were developed separately. The paired parcels shall be located within the same watershed and classification (Critical Area, Protected Area, or Balance of Watershed).
 - **4.16.6.1.3.** The paired parcels may include or be developed for residential or non-residential purposed.
 - **4.16.6.1.4.** Buffers shall at least meet the appropriate minimum City of Kannapolis water supply watershed protection requirements.

- **4.16.6.1.5.** The portion of the parcel(s) which is not developed as part of the paired parcel, but that is being averaged in the land being evaluated to meet the maximum development intensity, shall remain in an undisturbed vegetated or natural state and placed in permanent conservation through a metes and bounds description on a recorded plat, as well on owner's covenants and individual deed which shall be irrevocable. It shall be noted on the plat that the City shall reserve the right to make periodic inspections to ensure compliance.
- **4.16.6.1.6.** A Density Averaging Certificate (DAC) shall be obtained from the Watershed Review Board to ensure that both parcels considered together meet the standards of the ordinance and that potential owners have record of how the watershed regulations were applied to the paired parcels. Only the owner(s) of both of the paired parcels may submit the application for the DAC. A site plan for both of the parcels showing the built-upon area as well as the protected area, shall be submitted and approved as part of the DAC. If the DAC is granted, no change in the approved plan shall be made unless the DAC is amended by the Watershed Review Board. Upon issuance of a DAC, one copy shall be forwarded to the North Carolina Department of Environmental Quality (NC DEQ). Included with the DAC will be the approved plan, recorded plats for both properties, a description of both properties, and documentation reflecting the development restrictions to the paired parcels.
- **4.16.6.1.7.** The area to remain undeveloped shall be recorded in the deed for the parcel to which it applies. The DAC shall be recorded in the deed for each of the parcel in the parcel pair. Both the undeveloped area and the DAC shall be noted on the plat that applies to each parcel.
- **4.16.6.1.8.** Paired parcel averaged-density developments that meet the low-density option development requirements shall transport stormwater runoff from the development by vegetated conveyances to the maximum extent practicable.
- **4.16.6.1.9.** No parcel for which a watershed variance has been granted, or would be required, may be included as part of a parcel pair.
- **4.16.6.1.10.** The Watershed Review Board shall make written findings supported by appropriate calculations and documentation that the paired parcel averaged-density development plan as a whole conforms to the intent and requirements of this Article and Section, and that the proposed agreement assures protection of the public interest.
- **4.16.6.1.11.** Compliance with the above criteria shall be evidence that the parcel pair is consistent with the orderly and planned distribution of development throughout the watershed.

A INVENTOR OF	Milton D. Hinnant, Mayor	
ATTEST:		
Bridgette Bell, MMC, NCCMC		
City Clerk		

ADOPTED this the 29th Day of May, 2018.



City of Kannapolis City Council Meeting May 29, 2018 Staff Report

TO: Mayor and City Council

FROM: Public Works Director, City Attorney

TITLE: Resolution Approving Agreement for Exchange of Real Property with

Atlantic American Properties, Inc.

A. Action Requested by City Council

Motion to Approve Resolution Approving Agreement for the Exchange of Real Property with Atlantic American Properties, Inc. (No Public Hearing is required.)

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

The City has negotiated the acquisition of property owned by Atlantic American Properties, Inc. ("AAP") as shown in the dark shaded area of the attached Plat identified as 0.315 acres. This tract is essential to completing the land area necessary for the baseball stadium. AAP is interested in obtaining ownership of the parcel identified on the Plat as "New Parcel" which is the building located at 200 Oak Avenue and is the former site for the Neta's children's store having an area of 0.04 acres. The appraised value for the 0.315 acre tract is \$63,000 and the appraised value for the 0.04 acre tract is \$63,200. Appraisals are attached.

D. Fiscal Considerations

This will be a neutral exchange of real property having equivalent value.

E. Policy Issues

None.

F. Legal Issues

The exchange of property and the resulting effect on the adjoining property will be governed by the Agreement and related documents and is authorized pursuant to NCGS 160A-271.

G. Alternative Courses of Action and Recommendation

- 1. Adopt the Resolution. (Recommended)
- 2. Approve Resolution with amendments to it or the contract and/or related documents.
- 3. Take no action (i.e., rejecting the resolution)
- 4. Table action to a future meeting.

ATTACHMENTS:

File Name

- Resolution_Approving_Agreement_for_Exchange_of_Property_(City-AAP)_5-7-18.pdf
- Plat_to_staff_report_5-28-18_(exchange_of_property_City-AAP).pdf
- ☐ AgreementForExchangeOfRealProperty(CityOfKannapolis-AAP)__5-7-18.doc
- Exhibit_A_to_Agreement_For_Exchange_Of_Property_(City-AAP).pdf
- ☐ Grant_of_Easement__Agreement_(City-AAP)__5-10-18.doc
- Plat_to_staff_report_5-28-18_(exchange_of_property_City-AAP).pdf
- appraisals-staff_report_(exchange_of_prop._City-AAP).pdf
- Plat_to_staff_report_5-28-18_(exchange_of_property_City-AAP).pdf
- □ Public_Notice_(Exchange_of_Real_Estate)__5-7-18.doc

RESOLUTION KANNAPOLIS CITY COUNCIL

WHEREAS, the City of Kannapolis proposes to convey land owned by the City in a real property exchange transaction pursuant to North Carolina General Statute 160A-271 for conveyance of City's fee simple interest in a 0.04 acre tract of land in exchange for a party's fee simple interest in a 0.315 acre tract of land; and

WHEREAS, the exchange will be made with Atlantic American Properties, Inc.; and

WHEREAS, the property being conveyed by the City is depicted as "New Parcel 0.04 Acres" as shown on the attached plat (the "Plat"); and

WHEREAS, the property being acquired by the City is depicted as "0.315 acres City of Kannapolis" on the Plat.

WHEREAS, the properties have been appraised and the City Council finds that the value of the City property exchanged is \$63,200 and the value of the property to be acquired is \$63,000 therefore being substantially equal value; and

WHEREAS, the proposed Agreement for the Exchange of Real Property is necessary and appropriate for this exchange transaction (the "Agreement") is attached to this Resolution.

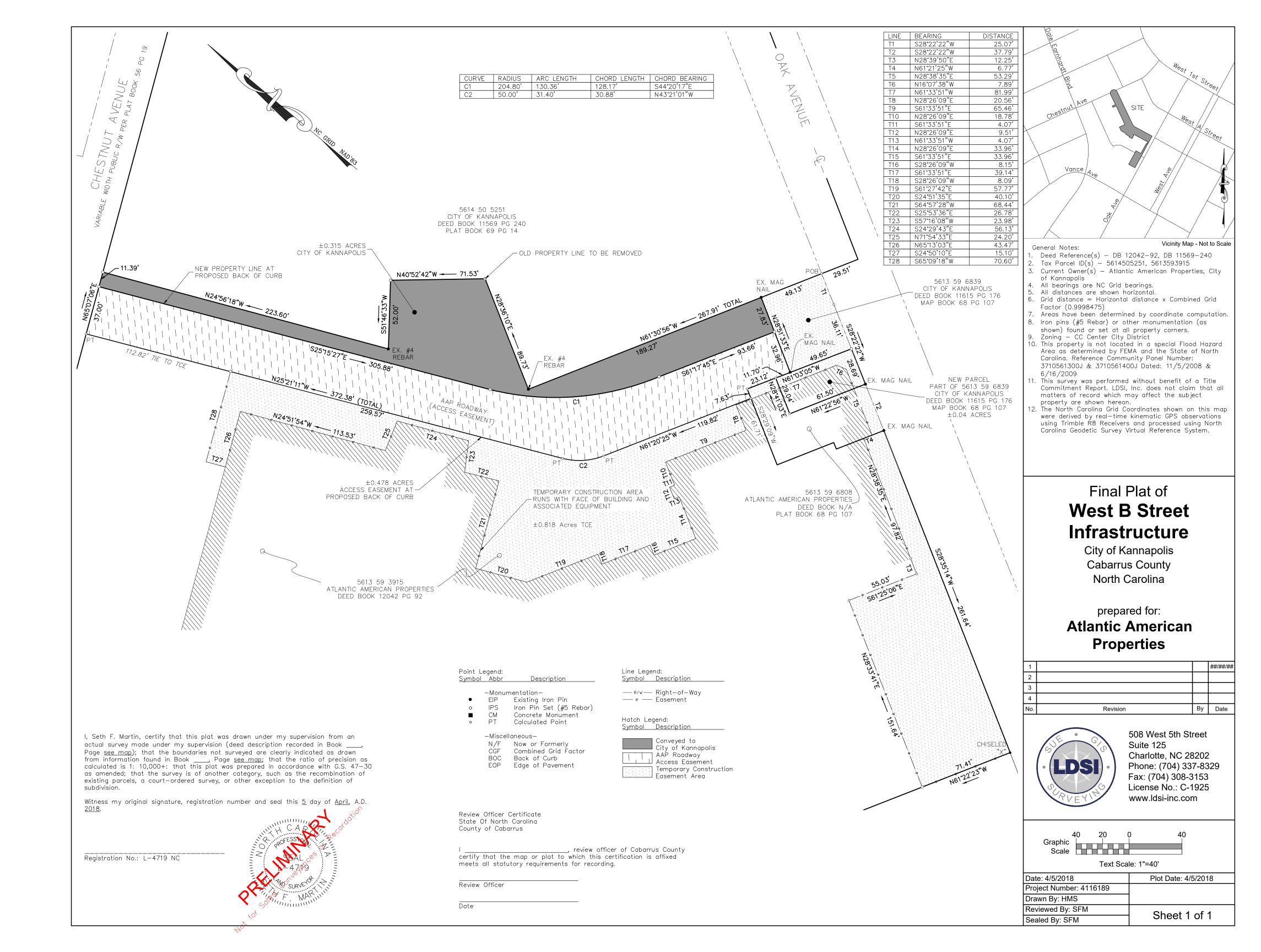
WHEREAS, NCGS 160A-271 authorizes the City to make such an exchange if approved by the City Council by a resolution adopted at a regular meeting upon at least 10 days notice.

WHEREAS, the required notice of this exchange was published on May 18, 2018.

NOW, THEREFORE, BE IT RESOLVED, the City Manager is authorized and directed to execute the Agreement for the exchange contemplated herein and the documents and instruments necessary for the conveyance of the City property and acceptance of the exchanged property in accordance with this Resolution.

ADOPTED this 29th day of May, 2018.

	Milton D. Hinnant, Mayor
ATTEST:	
Bridgette Bell, MMC, NCCMC City Clerk	



STATE OF NORTH CAROLINA

COUNTY OF CABARRUS

AGREEMENT FOR THE EXCHANGE OF REAL PROPERTY

This AGREEMENT FOR THE EXCHANGE OF REAL PROPERTY (the "Agreement") is made and entered this ___ day of May, 2018 (the "Effective Date") by and between the City of Kannapolis, a North Carolina municipal corporation ("City") and Atlantic American Properties, Inc., a Delaware corporation ("AAP"). City and AAP may hereafter be individually or collectively referred to as the Party" or the "Parties".

WITNESSETH:

WHEREAS, AAP is the record owner of certain real property shown on the attached plat as "± 0.315 acres City of Kannapolis", located in the City of Kannapolis, Cabarrus County, North Carolina with all improvements and appurtenances thereto, if any, (referred to as the "AAP Property") a copy of which plat recorded in Deed Book ____ at Page ____, Cabarrus Registry is attached hereto as Exhibit "A" and incorporated hereto as a part of this Agreement by reference (the "Plat"); and

WHEREAS, City is the record owner of certain real property shown on the Plat as "New Parcel Part of 5613 59 6839 City of Kannapolis Deed Book 11615, Page 176, Map Book 68 PG ± 0.04 acres" located in the City of Kannapolis, Cabarrus County, North Carolina, with all improvements and appurtenances thereto, if any, (referred to as the "City Property"); and

WHEREAS, AAP and City have agreed that the simultaneous exchange the AAP Property for the City Property and the City Property for the AAP Property which will be transacted in the manner set forth, subject to and in accordance with the conditions and provisions set forth in this Agreement.

NOW, THEREFORE, upon valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions of this Agreement, including the recited statements hereinabove and in further consideration of the premises and the respective agreements hereinafter set forth, the parties hereto agree as follows:

- 1. <u>Exchange of Properties.</u> AAP shall exchange with City fee simple title to the AAP Property for fee simple title to the City Property in accordance with the requirements of this Agreement. City shall exchange with AAP in fee simple title to the City Property for fee simple title to the AAP Property in accordance with the requirements of this Agreement.
- 2. <u>Values of Exchanged Properties</u>. The parties have determined and agreed that the City Property and the AAP Property together with all mutual exchanges and conveyances are of equivalent value as shown on the Appraisal Reports prepared by Wendy Walters dated April 11, 2018, copies of which Executive Summaries are attached hereto and incorporated herein by reference as a part of this Agreement.
- 3. <u>Closing: Closing Date.</u> The closing of the exchange for the Property (the "Closing") shall take place at a mutually agreed upon location on or before the date that is thirty (30) days after the

execution of this Agreement. The date on which Closing occurs is referenced herein as the "Closing Date." In the event the date for the performance of any act or obligation under this Agreement falls on a Saturday, Sunday or holiday (as recognized by federal banking institutions), the date for such performance shall be automatically extended until the next day that is not a Saturday, Sunday or holiday.

4. Conditions Precedent to Closing.

- 4.1 <u>Conditions in Favor of AAP</u>. The obligation of AAP to close this Agreement shall be subject to the fulfillment of the following conditions precedent, all of which shall be satisfied by City or waived by AAP prior to Closing. City covenants and agrees that City shall undertake no action, and City shall not omit to take any action, for the period from and after the Effective Date and to the Closing that adversely affects any such condition as it exists as of the Effective Date, the breach of which shall constitute a default by City under this Agreement. The conditions are as follows:
 - 4.1.1 <u>Condition of Title</u>. Title to the City Property shall be in such a condition as is consistent with the requirements of Section 5.7.2 hereof.
 - 4.1.2 <u>Hazardous Substances and Materials</u>. Unless waived, AAP shall have undertaken and received a Phase I Environmental Site Assessment or otherwise concluded by the Closing Date that the City Property is not contaminated with hazardous substances, hazardous materials, toxic substances, hazardous waste, surface or subterranean hazardous or other waste storage tanks, drums or containers, or other similar environmental contamination which may adversely affect the marketability of the City Property.
 - 4.1.3 <u>Exclusive Possession</u>. The City Property shall be free of all tenants and occupants and City shall deliver exclusive possession thereof to AAP at Closing.
 - 4.1.4 <u>Delivery of City Deed and other Documents for Closing.</u> City shall have delivered to AAP the documents described in Section 5.2.
- 4.2 <u>Conditions in Favor of City</u>. The obligation of City to close this Agreement shall be subject to the fulfillment of the following conditions precedent, all of which shall be satisfied by AAP or waived by City prior to Closing in a signed writing (a writing signed by an authorized signer or signers for City) prior to Closing. AAP covenants and agrees that AAP shall undertake no action, and AAP shall not omit to take any action, for the period from and after the Effective Date and to the Closing that adversely affects any such condition as it exists as of the Effective Date, the breach of which shall constitute a default by AAP under this Agreement. The conditions are as follows:
 - 4.2.1 <u>Condition of Title</u>. Title to the AAP Property shall be vested in AAP and shall otherwise be in such a condition as is consistent with the requirements of Section 5.7.1 hereof.
 - 4.2.2 <u>Hazardous Substances and Materials</u>. Unless waived, City shall have undertaken and received a Phase I Environmental Site Assessment or otherwise concluded by the Closing Date that the AAP Property is not contaminated with hazardous substances, hazardous materials, toxic substances, hazardous waste, surface or subterranean hazardous or other waste storage tanks, drums or containers, or other similar environmental contamination which may adversely affect the marketability of the AAP Property.
 - 4.2.3 <u>Exclusive Possession</u>. The AAP Property shall be free of all tenants and occupants and AAP shall deliver exclusive possession thereof to City at Closing.

- 4.2.4 <u>Delivery of AAP Deed and other Documents for Closing.</u> AAP shall have delivered to City the documents described in Section 5.1.
- 5. <u>Closing Mechanics</u>. In the event all conditions set forth in Section 4 have either been met or waived by the party for whose benefit such condition is set forth, the following provisions shall govern the Closing:
- 5.1 <u>AAP Obligations.</u> At or prior to Closing, AAP shall comply with the following obligations:
 - 5.1.1 <u>Delivery of Deed</u>. At Closing, AAP shall deliver to City a good and sufficient special warranty deed (the "AAP Deed") for the AAP Property in form for recording, executed and acknowledged by AAP with all stamps required by state and local law in the proper amount affixed thereto by AAP at AAP' expense, so as to convey to City fee simple title to the AAP Property in a condition that is consistent with the requirements of Section 5.7.1.
 - 5.1.2 <u>Delivery of Lien Waiver Affidavit</u>. At Closing, AAP shall deliver to City a standard owner's or lien waiver affidavit (including provisions stating that there are no parties in possession of the AAP Property under unrecorded leases or otherwise) sufficient for City to obtain title insurance for the AAP Property free from all but the AAP Permitted Exceptions as defined in Section 5.7.1 below.
 - 5.1.3 Other Documents. At Closing, AAP shall deliver to City such other documents as may reasonably be required by City or City's title insurer, including, without limitation, a nonforeign status affidavit sufficient to comply with Section 1445 of the United States Internal Revenue Code, such organizational or governing documents and resolutions as City's title insurer may require, and a closing statement that documents the costs and values ascribed to the Closing of this Agreement.
- 5.2 <u>City Obligations.</u> At or prior to Closing, City shall comply with the following obligations:
 - 5.2.1 <u>Delivery of Deed</u>. At Closing, City shall deliver to AAP a good and sufficient special warranty deed (the "City Deed") for the City Property in form for recording, executed and acknowledged by City all stamps required by state and local law in the proper amount affixed thereto by City at City's expense, so as to convey to AAP fee simple title to the City Property in a condition that is consistent with the requirements of Section 5.7.2.
 - 5.2.2 <u>Delivery of Lien Waiver Affidavit</u>. At Closing, City shall deliver to AAP a standard owner's or lien waiver affidavit (including provisions stating that there are no parties in possession of the City Property under unrecorded leases or otherwise) sufficient for AAP to obtain title insurance for the City Property free from all but the City Permitted Exceptions as defined in Section 5.7.2 below.
 - 5.2.3 Other Documents. At Closing, City shall deliver to AAP such other documents as may reasonably be required by AAP or AAP' title insurer, including, without limitation, such organizational or governing documents and resolutions as AAP' title insurer may require, and a closing statement that documents the costs and values established for the Closing of this Agreement.

- 5.3 <u>Easement Documents</u>. The parties hereto acknowledge that as a condition precedent to Closing the parties must negotiate and contemporaneously execute the following document which will burden other property owned by AAP.
 - 5.3.1 <u>Grant of Easements and Agreement</u>. The Parties shall have executed the Grant of Easements and Agreement relating to the granting of easements for temporary construction and permanent vehicular and pedestrian access located on property owned by AAP in a form substantially similar to the copy attached hereto as <u>Exhibit B</u>.
- 5.4 <u>Adjustments</u>. Real estate taxes, utilities and other operating charges applicable to the each of the AAP Property and the City Property shall be prorated between the parties on a calendar year basis as of the Closing Date. If the amount of real estate taxes for the year in which the Closing occurs cannot reasonably be determined, the apportionment shall be based at Closing upon the amount of such taxes for the next preceding tax year. The parties agree to adjust any such proration after the actual amount of taxes has been established. Any back taxes assessed for any year prior to the year in which Closing occurs shall be paid in full by Seller at Closing, including all delinquent and interest charges.
- 5.5 <u>Costs.</u> Each party shall pay for the preparation of the deed conveying their respective properties to the other party and the transfer stamps or taxes related thereto. Each party shall also pay the costs of recording any deed for the property received, title insurance, local jurisdiction land use planning fees and costs, as well as each party's own expenses and attorney fees.
- 5.6 <u>Brokers</u>. AAP and City represent to each other that neither party has engaged the services of a real estate broker or agent in negotiating or consummating the Closing of the exchange of the AAP Property and the City Property as set forth herein, and each party hereby indemnifies and holds the other harmless from and against any claims for commissions together with any costs and reasonable attorneys' fees incurred by the non-indemnifying party in defending against such claims, resulting from any breach of the representations of the indemnifying party set forth herein. The foregoing indemnity shall survive Closing.

5.7 Condition of Title.

- 5.7.1 Condition of Title for the AAP Property. Except as set forth in the last sentence of this Section 5.7.1, at Closing, AAP shall deliver the AAP Property to City free of all liens, claims, encumbrances and other exceptions to title, including, without limitation, all deeds of trust, mechanics' liens, judgments or any other defects which may be cured by the application of money (collectively, "Lien Defects") and parties in possession of any portion of the AAP Property, whether or not such possession is evidenced by a recorded or unrecorded lease (the "Possessory Defects"). It is the intention of the parties that Lien Defects and Possessory Defects shall automatically qualify as objections to title to the AAP Property that will be paid, discharged or released by AAP at or before Closing. Notwithstanding the foregoing requirement, the following exceptions to title (the "AAP Permitted Exceptions") shall not constitute exceptions to title to the AAP Property to which City may object: (i) applicable zoning ordinances; (ii) the lien for real property taxes not yet due and payable; (iii) easements for public utilities, whether the same are specific or blanket easements; (iv) any portion of any public right-of-way that is located within the boundary of the AAP Land; (v) easement documents referred to in Section 5.3 hereinabove; (vi) existing easements to which the Parties executed one to the other; and (vii) any recorded restriction, covenant or reversionary provision and all other matters of public record.
- 5.7.2 <u>Condition of Title for the City Property</u>. Except as set forth in the last sentence of this Section 5.7.2, at Closing, City shall deliver the City Property to AAP free of all liens,

claims, encumbrances and other exceptions to title, including, without limitation, Lien Defects and all Possessory Defects. It is the intention of the parties that Lien Defects and Possessory Defects shall automatically qualify as objections to title to the City Property that will be paid, discharged or released by City at or before Closing. Notwithstanding the foregoing requirement, the following exceptions to title (the "City Permitted Exceptions") shall not constitute exceptions to title to the City Property to which AAP may object: (i) applicable zoning ordinances; (ii) the lien for real property taxes not yet due and payable; (iii) easements for public utilities, whether the same are specific or blanket easements; (iv) any portion of any public right-of-way that is located within the boundary of the City Land; (v) easement documents referred to in Section 5.3 hereinabove; (vi) existing easement to which the Parties executed one to the other; and (vii) any recorded restriction, covenant or reversionary provision and all other matters of public record.

6. Representations and Warranties.

- 6.1 <u>Representations and Warranties of AAP</u>. AAP makes and agrees with City to the following representations and warranties, all of which are true and correct as to the matters set forth therein as of the date hereof and unless otherwise disclosed to City in writing prior to Closing shall be true and correct on the Closing Date, and all of which, unless otherwise specified, shall survive the Closing for a period of one (1) year:
 - 6.1.1 <u>Title and Authority</u>. At Closing, AAP shall own fee simple, marketable title to the AAP Property, subject only to the AAP Permitted Exceptions. AAP has the right, power and authority to enter into this Agreement and the persons executing this Agreement on behalf of AAP have authority to do so. AAP has the right, power and authority to convey the AAP Property to City in fee simple absolute.
 - 6.1.2 No Conflict. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, will not, with or without the giving of notice or passage of time or both: (i) violate, conflict with or result in the breach of any terms or provisions of or require any notice, filing, registration or further consent, approval or authorization under: (x) any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority binding upon AAP or any of its properties or assets; (y) the articles of incorporation, by-laws, duly adopted resolutions or any other corporate governance document of AAP; or (z) any instrument or agreement to which AAP or its properties may be bound or relating to or affecting all or any portion of the AAP Property; or (ii) result in any lien, claim, encumbrance or restriction on the proceeds of the sale of all or any portion of the AAP Property or on any of the properties or assets of AAP.
 - 6.1.3 <u>No Property Interests</u>. No person, firm or entity other than City has any rights to acquire or to lease all or any portion of the AAP Property, or otherwise to obtain any interest therein and there are no outstanding options, rights of first refusal or negotiation, rights of reverter or rights of first offer relating to all or any portion of the AAP Property, or any interest therein.
 - 6.1.4 No Violations. AAP has not received notice of: (i) any violations (collectively, "Violations", and individually, a "Violation") of any applicable local, state or federal law, municipal ordinances or regulations, orders, rules or requirements of any federal, state or municipal department or agency having jurisdiction over or affecting the AAP Property, or the construction, management, ownership, maintenance, operation, use, improvement, acquisition or sale thereof, including, without limitation, building, health and environmental laws, regulations and ordinances, and equal access opportunity laws, regulations and ordinances (collectively,

"Legal Requirements") whether or not officially noted or issued; or (ii) any condition relating to the AAP Property that would constitute a Violation of any Legal Requirements. AAP shall provide City with notice of any Violations of any Legal Requirements of which AAP obtains notice or knowledge between the Effective Date and the Closing Date.

- 6.1.5 Environmental Matters. In connection with the AAP Property, AAP has not generated, used, transported, treated, stored, released or disposed of, or to its actual knowledge, without independent investigation, has suffered or permitted anyone else to generate, use, transport, treat, store, release or dispose of any hazardous substance or hazardous materials in violation of any Legal Requirements, and, to AAP' actual knowledge, without independent investigation, there has not been any generation, use, transportation, treatment, storage, release or disposal of any hazardous substance or hazardous materials by any party in connection with the ownership, operation, maintenance or occupancy of the AAP Property that has created or might reasonably be expected to create any liability under any Legal Requirements or which would require any reporting to or notification to any federal, state or local governmental entity.
- 6.1.6 <u>Pending Actions or Investigations</u>. To AAP' actual knowledge, without independent investigation, there are no actions, suits, proceedings, claims, orders, decrees or judgments affecting AAP, its businesses, prospects or conditions (financial or otherwise), or the AAP Property, or relating to or arising out of the ownership of the AAP Property, or any portion of the AAP Property, that are pending or have been prosecuted in any court or by or before any federal, state, county or municipal department, commission, board, bureau or agency or other governmental instrumentality.
- 6.2 <u>Representations and Warranties of City.</u> City makes and agrees with AAP to the following representations and warranties, all of which are true and correct as to the matters set forth therein as of the date hereof and unless otherwise disclosed to AAP in writing prior to Closing shall be true and correct on the Closing Date, and all of which, unless otherwise specified, shall survive the Closing for a period of one (1) year:
 - 6.2.1 <u>Title and Authority</u>. City owns fee simple, marketable title to the City Property, subject only to the City Permitted Exceptions. City has the right, power and authority to enter into this Agreement and the persons executing this Agreement on behalf of City have authority to do so. As of the Closing Date, City shall have the right, power and authority to convey the City Property to AAP in fee simple absolute.
 - 6.2.2 No Conflict. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, will not, with or without the giving of notice or passage of time or both: (i) violate, conflict with or result in the breach of any terms or provisions of or require any notice, filing, registration or further consent, approval or authorization under: (x) any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority binding upon City or any of its properties or assets; (y) the articles of incorporation, bylaws, duly adopted resolutions of the members or the board of directors of City or any other corporate governance document applicable to City; or (z) any instrument or agreement to which City or its properties may be bound or relating to or affecting all or any portion of the City Property; or (ii) result in any lien, claim, encumbrance or restriction on the proceeds of the sale of all or any portion of the AAP Property or on any of the properties or assets of AAP.
 - 6.2.3 <u>No Property Interests</u>. No person, firm or entity other than AAP has any rights to acquire or to lease all or any portion of the City Property, or otherwise to obtain any interest

therein and there are no outstanding options, rights of first refusal or negotiation, rights of reverter or rights of first offer relating to all or any portion of the City Property, or any interest therein.

- 6.2.4 <u>No Violations</u>. City has not received notice of: (i) any Violations of any Legal Requirements, whether or not officially noted or issued; or (ii) any condition relating to the City Property that would constitute a Violation of any Legal Requirements. City shall provide AAP with notice of any Violations of any Legal Requirements of which City obtains notice or knowledge between the Effective Date and the Closing Date.
- 6.2.5 <u>Environmental Matters</u>. In connection with the City Property, City has not generated, used, transported, treated, stored, released or disposed of, or to its actual knowledge, without independent investigation, has suffered or permitted anyone else to generate, use, transport, treat, store, release or dispose of any hazardous substance or hazardous materials in violation of any Legal Requirements, and, to City's actual knowledge, without independent investigation, there has not been any generation, use, transportation, treatment, storage, release or disposal of any hazardous substance or hazardous materials by any party in connection with the ownership, operation, maintenance or occupancy of the City Property that has created or might reasonably be expected to create any liability under any Legal Requirements or which would require any reporting to or notification to any federal, state or local governmental entity.
- 6.2.6 <u>Pending Actions or Investigations</u>. To City's actual knowledge, without independent investigation, there are no actions, suits, proceedings, claims, orders, decrees or judgments affecting City, its businesses, prospects or conditions (financial or otherwise), or the City Property, or relating to or arising out of the ownership of the City Property, or any portion of the City Property, that are pending or have been prosecuted in any court or by or before any federal, state, county or municipal department, commission, board, bureau or agency or other governmental instrumentality.

7. Miscellaneous Provisions.

- 7.1 <u>Binding Effect</u>. This Agreement and all covenants, terms, conditions, warranties, and undertakings contained herein, and all amendments, modifications and extensions hereof, as applicable, shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and permitted assigns.
- 7.2 <u>Survival of Terms</u>. Except as specifically set forth elsewhere in this Agreement, the provisions of this Agreement shall not survive the execution and delivery of the AAP Deed and the City Deed and shall be merged into such instruments.
- 7.3 <u>Final Agreement</u>. This Agreement contains the final and entire agreement between the parties, and they shall not be bound by any terms, conditions, statements, warranties or representations, oral or written, not herein contained.
- 7.4 <u>Amendment</u>. This Agreement shall not be modified except by instrument in writing executed by the parties hereto.
- 7.5 <u>Notices</u>. All notices, demands and requests which may be given or which are required to be given by either party to the other must be in writing. All notices, demands and requests by AAP or by City shall be sent by overnight delivery by a nationally-recognized carrier that can and shall provide proof

of delivery (in which event the delivery date of such notice shall be the date of receipt by the addressee) addressed as follows, or to such other address as a party may specify by duly given notice:

If to AAP:	Tom Sanctis Atlantic American Properties, Inc. Post Office Box Kannapolis, North Carolina 28082 Telephone:
With Copy to:	Telephone:
If to City:	Michael B. Legg City Manager 401 Laureate Way Kannapolis, North Carolina 28081 Telephone:704-920-4309
With Copy to:	Walter M. Safrit, II City Attorney City of Kannapolis 401 Laureate Way Kannapolis, North Carolina 28081 Telephone: 704-920-4370

- 7.6 <u>Assignment</u>. Neither party shall have the right to assign its rights under this Agreement without the prior written consent of the other party.
- 7.7 <u>Governing Law</u>. This Agreement shall be governed by, and construed and interpreted under, the laws and judicial decisions of the State of North Carolina.
- 7.8 Counterparts; Facsimile and Electronic Signatures. This Agreement may be executed in two or more counterparts and shall be deemed to have become effective when and only when one or more of such counterparts shall have been signed by or on behalf of each of the parties hereto (although it shall not be necessary that any single counterpart be signed by or on behalf of each of the parties hereto, and all such counterparts shall be deemed to constitute but one and the same instrument), and shall have been delivered by each of the parties to each other. Facsimile signatures and portable document format ("pdf") signatures shall operate to bind the party to this Agreement whose signature has been faxed or e-mailed as a pdf image to the other party.
- 7.9 Remedies for Default. In addition to such other remedies as may be specified in this Agreement and that may be available at law or in equity, in the event that either party fails to perform under this Agreement, including either party's failure to consummate the exchange of the properties under the terms stated in this Agreement, then it is the parties' express intent that specific performance of this Agreement is an appropriate remedy.
- 7.10 <u>Effective Date</u>. The Effective Date of this Agreement shall be the date first appearing hereinabove.

IN WITNESS WHEREOF, AAP and City have caused this Agreement to be duly executed as of the date and year first above written.

ATLANTIC AMERICAN PROPERTIES, INC.	
Ву:	
Name:	
Date:	
CITY OF KANNAPOLIS:	
Michael B. Legg	
City Manager	

EXHIBIT "A"

to
Agreement for the Exchange of Real Property
Between

CITY OF KANNAPOLIS

and

ATLANTIC AMERICAN PROPERTIES, INC.

The Plat (1 Page Attached)

EXHIBIT "B"

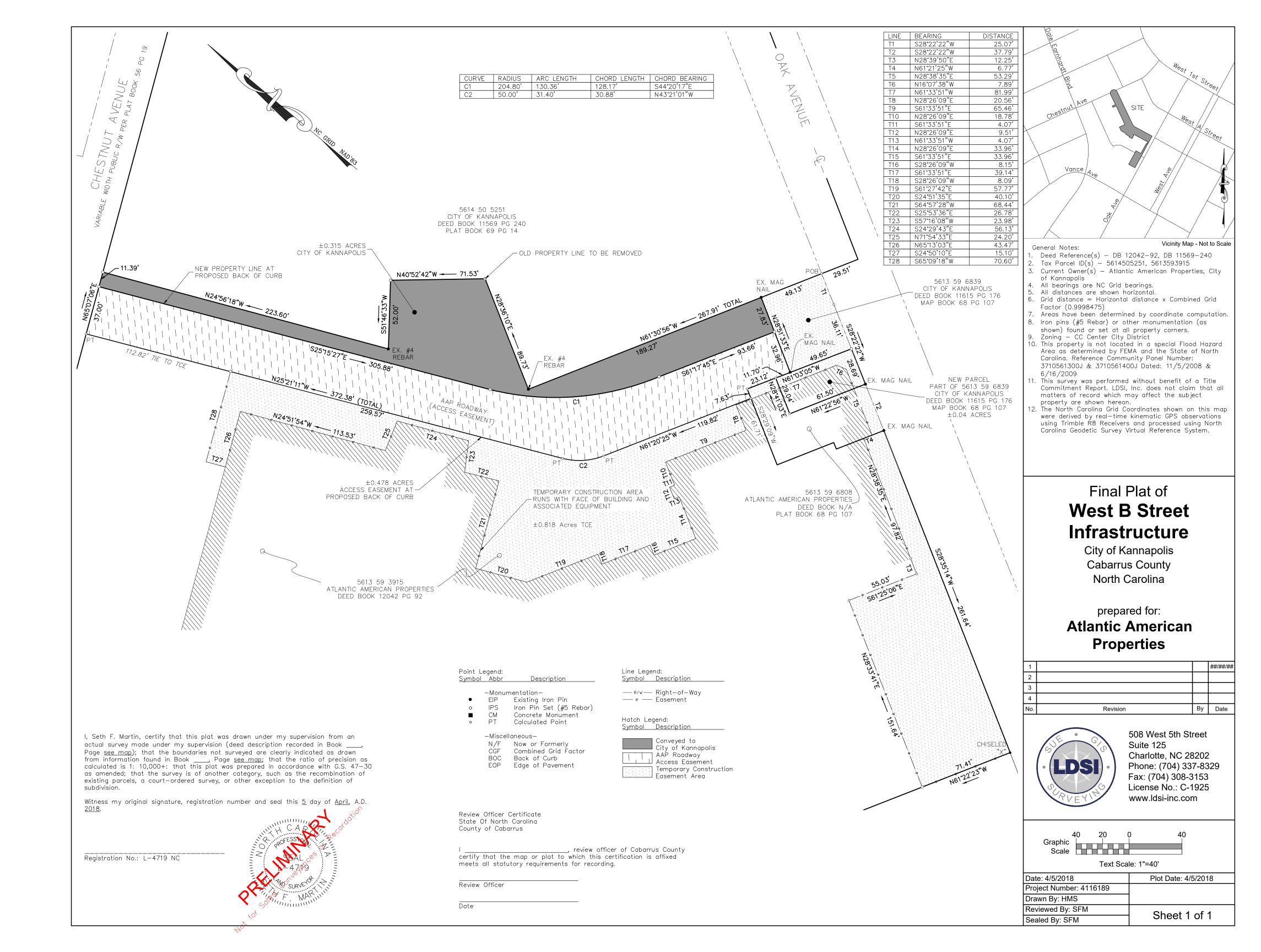
Agreement for the Exchange of Real Property Between

CITY OF KANNAPOLIS

and

ATLANTIC AMERICAN PROPERTIES, INC.

The Grant of Easements and Agreement (5 Pages)



CABARRUS COUNTY

THIS GRANT OF EASEMENTS AND AGREEMENT (collectively the "Agreement") is made and entered into this ____ day of May, 2018, by and between Atlantic American Properties, Inc., a Delaware corporation (hereinafter "AAP") and the City of Kannapolis, a North Carolina municipal corporation (hereinafter "City").

RECITALS

- A. City is the owner of that certain parcel of real property depicted as "0.315 acres City of Kannapolis" (the "City Property") on the attached plat recorded in Deed Book ____ at Page ____, Cabarrus County Registry (the "Plat") a copy of which Plat is attached hereto and incorporated herein as a part of this Agreement.
- B. AAP is the owner of that certain parcel of real property depicted on the Plat as "AAP Roadway" which lies to the west and south of and adjoining the City Property (the "AAP Roadway").
- C. AAP is the owner of that certain parcel of real property depicted on the Plat as "AAP Property" which lies to the west and south of and adjoining the AAP Roadway and for the purpose of this Agreement is also referred to as the "Temporary Construction Area".
- D. City is in the process of developing a Sports and Entertainment Venue ("Venue") on the City Property and other adjoining property. City desires to encroach temporarily upon the Temporary Construction Area and the AAP Roadway for the construction of certain necessary elements of the Venue for which the City desires to obtain, and AAP desires to grant, a temporary construction easement (the "Temporary Construction Easement").
- E. City also has requested, and AAP desires to grant, a non-exclusive access easement for public pedestrian and vehicular ingress, egress and regress on, over and across the AAP Roadway.
- F. AAP is successor in interest to real property previously owned by Oak Avenue Mall Limited Partnership (Deed Book 12042 at Page 92) and City is successor in interest to the property previously owned by Cannon Village Associates (Deed Book 11569 at Page 240) which properties were encumbered by a comprehensive easement and right of way agreement described herein below. AAP and City desire to abandon, rescind and discharge from operation of law those easements and rights of way granted and other agreements in the Comprehensive Easement and Right of Way Agreement dated October 6, 1995, recorded in Deed Book 1499 at Page 206, ("Prior Easement Agreement") with the intention that said agreement shall have no further force or effect.

NOW THEREFORE, the Parties hereto, for and in consideration of the Recitals hereinabove (which, by this reference, are incorporated into the operative and enforceable provisions of this Agreement), upon Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, and for the grants, covenants and agreements contained herein, all of which shall run with the land for the term of this

Agreement upon all or any portion of and which shall be binding upon AAP as grantor of the Easements the Easements, and their successors in title, or their assigns for and during the Term of this Grant of Easements and Agreement as follows:

GRANT OF EASEMENTS

- 1. <u>Grant of Easements</u>. AAP hereby grants, bargains, sells, transfers and conveys to City, and to its successors in title, and its officers, agents, employees, guests and invitees, for the benefit of all current and future owners of any portion of the City Property, being the Dominant Estate, upon the AAP Roadway and the Temporary Construction Area, being the Servient Estates, the following access easement and temporary construction easement:
 - 1.1 <u>Temporary Construction Easement</u>: A temporary construction easement on, over, under, in and across the area shown on the Plat as "Temporary Construction Area" including but not limited to, removal of or construction of concrete curbs, walkways, asphalt parking facilities, concrete paving, gas, sewer and water lines, storm drainage inlets and pipes, trees and landscaping, irrigation, lighting, retaining walls and underground utilities, storage of materials and equipment, and general construction grading and facilities commonly associated therewith.
 - 1.1.1 It is understood and agreed that City shall have the continuing right and use of the Temporary Construction Easement granted herein until the earlier of the following:
 - (i) Four years from the date of this Agreement; or
 - (ii) Upon completion of construction of the Venue and issuance of a certificate of occupancy to City.
 - 2.1 <u>Access Easement</u>. A non-exclusive easement on, over, and across the area shown on the Plat as the "Access Easement", for pedestrian and vehicular ingress, egress and regress.
 - 2.1.1 <u>Maintenance, Repair and Replacement.</u> During the Term of this Agreement City shall be responsible for, and shall undertake the inspection, maintenance, repair, replacement and enhancement of the Access Easement. The Access Easement shall be maintained, repaired and replaced in a condition consistent with City road standards. AAP shall have no responsibility for such maintenance, repair and replacement or obligation for costs, except to the extent of costs resulting from AAP's negligence.
 - 2.1.2 <u>Term.</u> It is understood and agreed that City shall have the continuing right and use of the Access Easement granted herein for a period of thirty (30) years from and after the date of this Agreement.
 - 2.2 <u>Donation of Easements</u>. AAP hereby grants the Easements described in this Agreement at no cost to the City.
- 2. <u>Representation and Warranties of AAP</u>. AAP hereby represents and warrants to City the following matters:
 - 2.1 Ownership. As of the date of this Agreement, AAP owns indefeasible, marketable fee simple title to the AAP Property and the AAP Roadway, free and clear of any prior

- encumbrance, lien, judgment or hypothecation whatsoever, the enforcement of which might otherwise adversely affect or terminate the grants herein contained.
- 2.2 <u>Power and Authority</u>. AAP has the power and authority, and has obtained all approvals necessary, to execute, acknowledge and deliver this Easement Agreement.
- 2.3 No Interference. Neither party hereto shall erect or construct, or cause to be erected or constructed, any fence, wall, curb or other barrier, hindrance or encroachment which will in any manner interfere with or restrict the full and complete use, ownership and enjoyment of their property or easements herein granted. All and every installation, maintenance, repair operation, removal, relocation, repair or construction of utilities shall be undertaken in such a manner so as to not unreasonably interfere with use or enjoyment of either party's property or the easement herein granted and all such work shall be done promptly and in a good workmanlike manner. Any portion of the parcels which is affected by such work shall be restored to the same condition as existed prior to such work and as expedient as is commercially reasonable.
- 2.4 <u>No Dedication</u>. This Agreement does not dedicate the easements contained herein to the general public.
- 2.5 No Conflict. The execution and delivery of this Agreement will not, with or without the giving of notice or passage of time or both violate, conflict with or result in the breach of any terms or provisions of or require any notice, filing, registration or further consent, approval or authorization under: (i) any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority binding upon or AAP or any of its properties or assets; or (ii) any instrument or agreement to which AAP or its properties may be bound or relating to or affecting all or any portion of the Servient Estates.
- 3. <u>Deed of Trust Subordination</u>. Any deed of trust or mortgage affecting any portion of the Servient Estates shall at all times be subject and subordinate to the terms of this Easement Agreement, and any party foreclosing any such deed of trust or mortgage, or acquiring title by deed in lieu of foreclosure shall acquire title subject to all of the terms and provisions of this Easement Agreement.
- 4. <u>Binding Effect</u>. Every agreement, covenant, promise, undertaking, condition, easement, right, privilege, option and restriction made, granted or assumed, as the case may be by AAP is made by such AAP for the benefit of any owner of any portion of the Dominant Estate and shall be appurtenant to and for the benefit of all portions of the Dominant Estate and any current or future owner thereof, and shall constitute an equitable servitude on all of the Servient Estates. Any successor in title to any portion of the Servient Estates shall automatically be deemed, by acceptance of the title to all or any portion of a Servient Estates, to have assumed all obligations of this Easement Agreement relating thereto to the extent of its interest in such portion of the Servient Estates and AAP shall thereby be automatically released of any obligations hereunder.
- 5. <u>Revocation of Prior Easement Agreement</u>. The Parties hereto acknowledge and agree that the Prior Easement Agreement executed by the Parties or their predecessors in interest is hereby abandoned, having no further effect, and the agreements, easements and rights of way therein agreed upon or granted are hereby rescinded.

- 6. <u>Invalidity</u>. If any provision of this Easement Agreement, or portion thereof, or the application thereof to any person or circumstances, shall, to any extent, be held invalid, inoperative or unenforceable, the remainder of this Easement Agreement or the application of such provision or portion thereof to any other persons or circumstances shall not be affected thereby. It shall not be deemed that any such invalid provision affects the consideration for this Easement Agreement, and each provision of this Easement Agreement shall be valid and enforceable to the fullest extent permitted by law.
- 7. <u>Governing Law</u>. This Easement Agreement shall be governed by and construed in accordance with the laws and judicial decisions of the State of North Carolina.
- 8. <u>Headings</u>. The section headings in the Easement Agreement are for convenience only, shall in no way define or limit the scope or content of this Easement Agreement, and shall not be considered in any construction or interpretation of this Easement Agreement or any part hereof

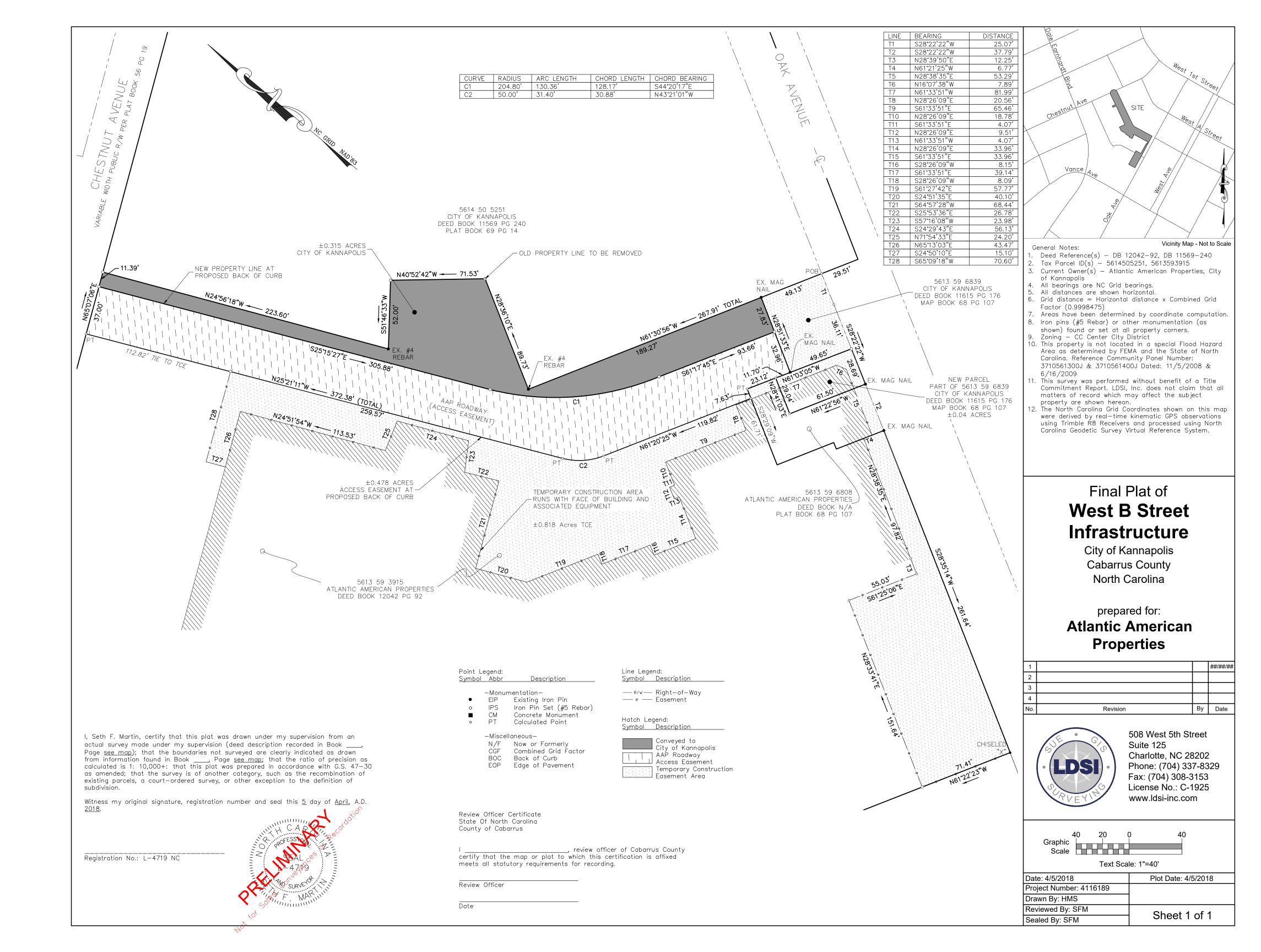
TO HAVE AND TO HOLD the aforesaid rights, privileges, and easements herein granted to the City, its successors and assigns forever and the same parties hereto do covenant and that said parties are seized of said premises in fee and has the right to convey the same, that except as may appear of record the same are free from encumbrances and that the undersigned will warrant and defend the said title to the same against claims of all persons whosoever.

The covenants agreed hereto and the conditions imposed herein shall be binding upon the parties hereto and their agents, representatives, and assigns and all other successors to the parties in interest and shall continue as a servitude running in perpetuity with the property described herein.

IN WITNESS WHEREOF, the undersigned parties have caused this Agreement to be executed under seal as of the day and year first above written.

	Atlantic American Properties, Inc.	
	By: Title:	
	City of Kannapolis	
	By: Michael B. Legg City Manager	
ATTEST:		
Bridgette Bell, MMC City Clerk		

This instrument has been pre-audited in the manner required by the "Local Government Budget and Fiscal Control Act"
Eric Davis Finance Director
STATE OF NORTH CAROLINA
COUNTY OF
This day of May, 2018, personally came before me, who being by me duly sworn, says that he is of Atlantic American Properties, Inc., ("AAP") and that said writing was signed by him on behalf of the corporation by its authority duly given and acknowledged the said writing to be the act and deed of the corporation.
Witness my hand and official seal this day of May, 2018.
Notary Public
My Commission expires:
STATE OF NORTH CAROLINA
COUNTY OF
This day of May, 2018, personally came before me Michael B. Legg, who being by me duly sworn, says that he is City Manager of City of Kannapolis (the "City") and that said writing was signed by him on behalf of the City by its authority duly given and acknowledged the said writing to be the act and deed of the City.
Witness my hand and official seal this day of May, 2018.
Notary Public
My Commission expires:



APPRAISAL REPORT

OF

.315 ACRES SITE (VACANT LAND) OFF OAK AVENUE KANNAPOLIS, NORTH CAROLINA 28081



PARCEL #5613-59-3915-0000 (PART)

PREPARED FOR

CITY OF KANNAPOLIS MR. WILMER MELTON, III, DIRECTOR OF PUBLIC WORKS 401 LAUREATE WAY KANNAPOLIS, NORTH CAROLINA 28081

EFFECTIVE DATE OF APPRAISAL MARCH 6, 2018

DATE OF REPORT APRIL 11, 2018

PREPARED BY

WENDY WALTERS STATE CERTIFIED RESIDENTIAL APPRAISER WALTERS PROPERTY APPRAISALS 1036 BRANCHVIEW DRIVE, SUITE 204 CONCORD, NORTH CAROLINA 28025 704-787-9395

WALTERS PROPERTY APPRAISALS

April 11, 2018

City of Kannapolis Mr. Wilmer Melton, III, Director of Public Works 401 Laureate Way Kannapolis, North Carolina 28081

Re:

.315Acres Site (Vacant Land), Off Oak Avenue, Kannapolis, North Carolina

Dear Mr. Melton

Walters Property Appraisals Real Estate Services is pleased to submit the accompanying appraisal of the above referenced property. The purpose of the appraisal is to develop an opinion of the market value as is of the fee simple interest in the property. The client for this assignment is City of Kannapolis, and the intended use is for asset valuation purposes.

The appraisal is intended to conform with the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, applicable state appraisal regulations, and the appraisal guidelines of City of Kannapolis. The appraisal is also prepared in accordance with the appraisal regulations issued in connection with the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA).

To report the assignment results, we use the Appraisal Report option of Standards Rule 2-2(a) of the current edition of USPAP. As USPAP gives appraisers the flexibility to vary the level of information in an Appraisal Report depending on the intended use and intended users of the appraisal, we adhere to our internal standards for an Appraisal Report – Standard Format. This type of report has a moderate level of detail. It summarizes the information analyzed, the appraisal methods employed, and the reasoning that supports the analyses, opinions, and conclusions. It meets or exceeds the former Summary Appraisal Report requirements that were contained in the previous edition of USPAP.

The accompanying report contains the information we have compiled in the preparation of your requested appraisal.

The report assumes that no environmental conditions exist. If, in the future, it is discovered that adverse environmental conditions exist, I reserve the right to revise the report and valuation conclusion, if necessary. I am not an expert in the environmental field and am not qualified to render a decision as to whether or not hazardous conditions exist.

Based on our inspection and analysis of the property, it is our opinion that the Market Value of the fee simple interest in the property, as of the date of inspection, March 6, 2018, is:

\$63,000 SIXTY THREE THOUSAND DOLLARS

Sincerely,

WALTERS PROPERTY APPRAISALS

Wendy Walters

State Certified Residential Appraiser

APPRAISAL REPORT

OF BUILDING & SITE 202 OAK AVENUE KANNAPOLIS, NORTH CAROLINA 28081



PREPARED FOR

CITY OF KANNAPOLIS MR. WILMER MELTON, III, DIRECTOR OF PUBLIC WORKS 401 LAUREATE WAY KANNAPOLIS, NORTH CAROLINA 28081

EFFECTIVE DATE OF APPRAISALMARCH 6, 2018

DATE OF REPORT APRIL 11, 2018

PREPARED BY

WENDY WALTERS STATE CERTIFIED RESIDENTIAL APPRAISER WALTERS PROPERTY APPRAISALS 1036 BRANCHVIEW DRIVE, SUITE 204 CONCORD, NORTH CAROLINA 28025 704-787-9395

WALTERS PROPERTY APPRAISALS

April 11, 2018

City of Kannapolis Mr. Wilmer Melton, III, Director of Public Works 401 Laureate Way Kannapolis, North Carolina 28081

Re: Building & Site, 202 Oak Avenue, Kannapolis, North Carolina

Dear Mr. Melton:

Walters Property Appraisals Real Estate Services is pleased to submit the accompanying appraisal of the above referenced property. The purpose of the appraisal is to develop an opinion of the market value as is of the fee simple interest in the property. The client for this assignment is City of Kannapolis, and the intended use is for asset valuation purposes.

The appraisal is intended to conform with the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, applicable state appraisal regulations, and the appraisal guidelines of City of Kannapolis. The appraisal is also prepared in accordance with the appraisal regulations issued in connection with the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA).

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The accompanying report contains the information we have compiled in the preparation of your requested appraisal.

The report assumes that no environmental conditions exist. If, in the future, it is discovered that adverse environmental conditions exist, I reserve the right to revise the report and valuation conclusion, if necessary. I am not an expert in the environmental field and am not qualified to render a decision as to whether or not hazardous conditions exist.

Based on our inspection and analysis of the property, it is our opinion that the Market Value of the fee simple interest in the property, as of the date of inspection, March 6, 2018, is:

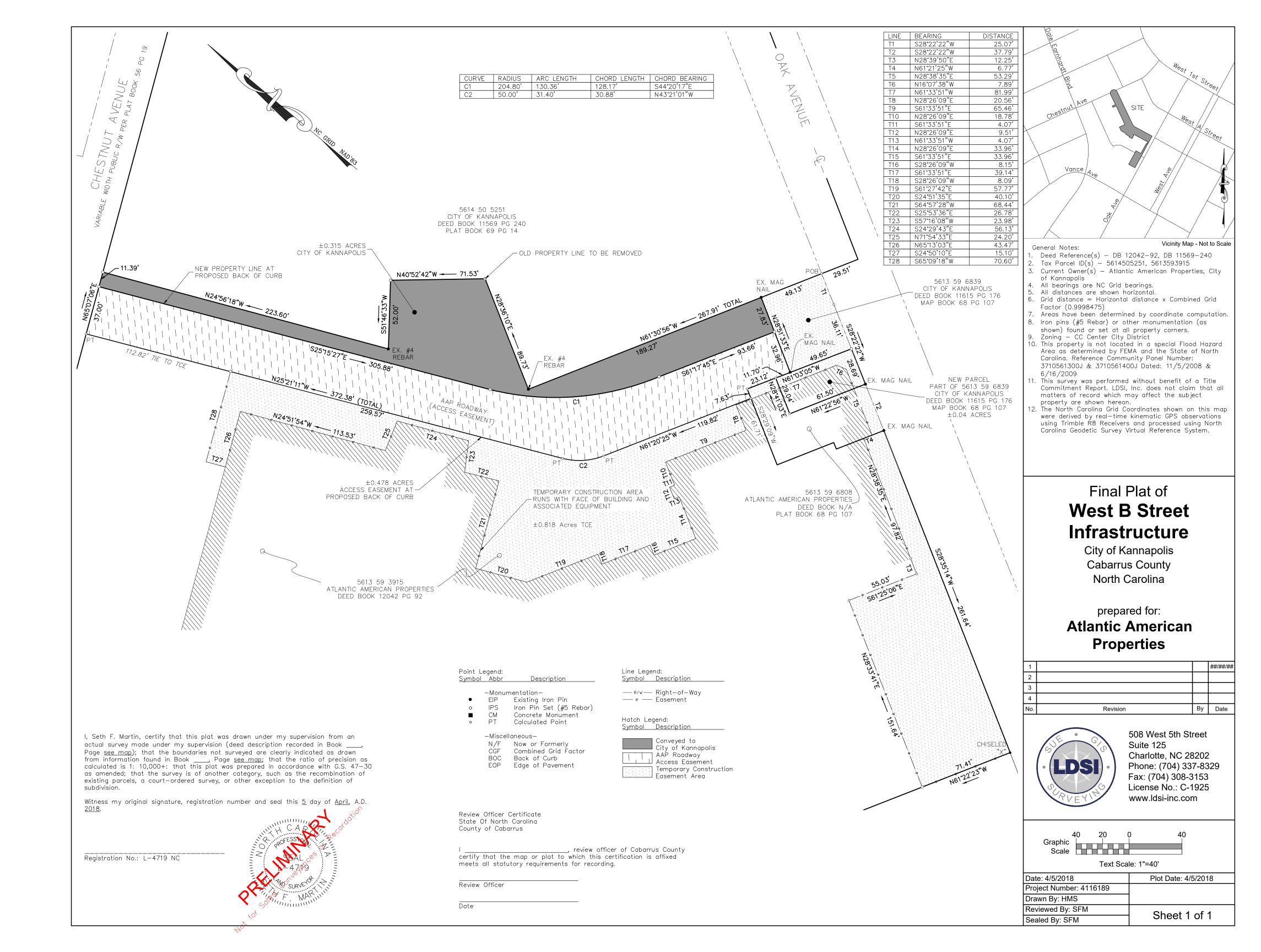
\$63,200 SIXTY THREE THOUSAND TWO HUNDRED DOLLARS

Sincerely,

WALTERS PROPERTY APPRAISALS

Wendy Walters

State Certified Residential Appraiser



PUBLIC NOTICE

EXCHANGE OF REAL ESTATE

Pursuant to North Carolina General Statute §160A-271, the City Council of the City of Kannapolis intends to authorize the exchange of certain city-owned property for certain property owned by Atlantic American Properties, Inc. of Kannapolis, North Carolina.

The exchange involves the following tracts of real property:

The City's property is 0.04 acres a part of 5613-59-6839 having an address of 200 Oak Avenue, Kannapolis, North Carolina.

The Atlantic American Properties, Inc. property is 0.315 as part of 5614-50-5251 as shown in Plat Book 69 at page 14 depicted as part of the Access Right of Way.

The exchange will be an even trade with each property having a value of approximately \$63,000.00.

All persons interested in this exchange are invited to attend the meeting of the City Council to be held in the Kannapolis City Hall Laureate Center, 401 Laureate Way, Kannapolis, North Carolina 28081 at6:00 p.m. on Monday, May 28, 2018. At that time the Council intends to authorize the exchange of the properties described above.

Persons with disabilities, non-English speaking persons or anyone who needs assistance to participate in this public hearing should notify the Kannapolis Human Resource Director at (704) 920-4302 at least forty-eight (48) hours prior to the meeting, or call the North Carolina Relay Number for the Deaf at 1-800-735-8262.

PUBLICATION DIRECTION

Publish as a Legal Ad: Publish on the following date: Friday, May 18, 2018

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

Bridgette Bell, MMC, NCCMC City Clerk City of Kannapolis 401 Laureate Way

Kannapolis, NC 28081 Phone: 704-920-4303

Fax: 704-933-7463



City of Kannapolis City Council Meeting May 29, 2018 Staff Report

TO: Mayor and City Council FROM: Mike Legg, City Manager

TITLE: City Manager Recommended Budget FY18-19

A. Action Requested by City Council

None. Presentation Only

B. Required Votes to Pass Required Action

Presentation Only, no action required

C. Background

A copy of the recommended budget for the fiscal year beginning July 1, 2018 and ending June 30, 2019 will be presented to City Council at Tuesday night's meeting. The City Manager will lead the discussion and respond to questions. Council Members may also consider the need to set additional budget workshop meetings at this time.

D. Fiscal Considerations

None

E. Policy Issues

None

F. Legal Issues

None

G. Alternative Courses of Action and Recommendation

Presentation and discussion only. No action required.

ATTACHMENTS:

File Name

No Attachments Available



City of Kannapolis City Council Meeting May 29, 2018 Staff Report

TO: Mayor and City Council FROM: Mike Legg, City Manager

Resolution Directing the Filing of the FY18-19 Budget and set a Public

Hearing

A. Action Requested by City Council

Motion to approve a Resolution directing the filing with the City Clerk of the budget estimate for Fiscal Year 2018-2019 and call for a public hearing.

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

A Public Hearing on the Recommended Budget for Fiscal Year Beginning July 1, 2018 and Ending June 30, 2019 has been scheduled for 6:00 P.M. on June 11, 2018. State law requires that "before adopting the Budget Ordinance, the Board shall hold a public hearing at which time any persons who wish to be heard on the budget may appear" (G.S.159-12) (b).

A copy of the recommended budget was presented to City Council on May 29, 2018 and is available for public inspection at the City of Kannapolis Administration Offices as well as the City of Kannapolis website www.kannapolisnc.gov. Notice of the public hearing is scheduled to be published in the *Independent Tribune* on Sunday, June 3, 2018.

D. Fiscal Considerations None E. Policy Issues None

F. Legal Issues

None

G. Alternative Courses of Action and Recommendation

- 1. Adopt a Resolution Directing the Filing of the Fiscal Year 2018-2019 Budget and call for a Public Hearing (Recommended)
- 2. Do not adopt Resolution.
- 3. Table action to a future meeting.

ATTACHMENTS:

File Name

- Resolution_calling_for_public_hearing.pdf
- Notice_PH_Budget.pdf

RESOLUTION DIRECTING THE FILING WITH THE CITY CLERK OF THE BUDGET ESTIMATE FOR THE FISCAL YEAR 2018-2019 AND CALLING A PUBLIC HEARING THEREON

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

SECTION 1. The budget estimate of the City of Kannapolis for the fiscal year beginning July 1, 2018, which on this day May 29, 2018 was submitted to the City Council, is hereby ordered filed with the City Clerk where it shall remain for public inspection for at least ten days from this date.

SECTION 2. A copy of said budget estimate shall be made available to the news media in the county.

SECTION 3. This Resolution shall be published in at least one newspaper published in the county and shall serve as notice that the budget estimate has been presented to the City Council, that a copy of same is on file for public inspection at the City Administration Offices located at 401 Laureate Way, Kannapolis, North Carolina as well as the City of Kannapolis website. www.kannapolisnc.gov. Notice of the time and place of the public hearing as set forth below.

SECTION 4. A public hearing shall be held by the City Council at the Kannapolis City Hall Council Chambers located at 401 Laureate Way, Kannapolis, North Carolina, on June 11, 2018, 6:00 P.M., or as soon thereafter as the matter may be heard at which time any persons who wish to be heard on the budget may appear.

SECTION 5. 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.

Adopted this 29th day of May 2018.

Milton D. Hinnant, Mayor



CITY OF KANNAPOLIS AVAILABILITY OF THE RECOMMENDED BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2018 AND ENDING JUNE 30, 2019 AND NOTICE OF A PUBLIC HEARING THEREON

SECTION 1. The recommended budget of the City of Kannapolis for the fiscal year beginning July 1, 2018 was this day May 29, 2018 submitted by the City Manager to the City Council, and filed with the City Clerk where it shall remain for public inspection for at least ten days from this date.

SECTION 2. A copy of said budget shall be made available to the news media in the county.

SECTION 3. This Notice shall be published in at least one newspaper published in the county and shall serve as notice that the recommended budget has been presented to the City Council, that a copy of same is on file for public inspection at the Kannapolis City Hall Administration Offices located at 401 Laureate Way, Kannapolis, North Carolina, as well as the City of Kannapolis website www.kannapolisnc.gov. Notice of the time and place of the public hearing as set forth below.

SECTION 4. A public hearing shall be held by the City Council at the Kannapolis City Hall Council Chambers located at 401 Laureate Way, Kannapolis, North Carolina, on Monday, June 11, 2018 at 6:00 P.M., or as soon thereafter as the matter may be heard, at which time any persons who wish to be heard on the budget may appear.

SECTION 5. 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 <u>tcline@kannapolisnc.gov</u> as soon as possible but no later than 48 hours before the scheduled event*

Bridgette Bell, MMC, NCCMC City Clerk

Publish June 3, 2018



ATTACHMENTS:
File Name
No Attachments Available

City of Kannapolis City Council Meeting May 29, 2018 Staff Report

TO:	Mayor and City Council
FROM:	Mike Legg, City Manager
TITLE:	Closed Session
A. Action Red	quested by City Council
privilege and	11 (a) (3) to consult with an attorney in order to preserve the attorney client G.S. 143.318.11 (a) (4) for discussing matters relating to the location or industries or businesses in the area (Mayor Pro tem Berry)
B. Required	Votes to Pass Required Action
C. Backgrou	nd
D. Fiscal Cor	nsiderations
E. Policy Issu	les
F. Legal Issu	es
G. Alternative	e Courses of Action and Recommendation