

**CITY COUNCIL
Special Meeting
March 7, 2006**

CALL TO ORDER BY THE MAYOR

The special meeting of the City Council of Mount Holly was called to order at 6:30 P.M. by Mayor Whitt. The meeting was held at the City Hall. The following were present:

Mayor Robert Whitt

Mayor Pro-Tem Phyllis Harris

Jamie Guffey, Assistant to City Manager
for Finance/Administration

Danny Jackson, Assistant to City
Mgr for Community Development

Councilman Jim Hope

Councilman Frank McLean

Councilman David Moore

City Attorney Kemp Michael

Councilman Jerry Bishop

Councilwoman Pat Hubbard

City Manager David Kraus

INVOCATION

The invocation was led by Councilman McLean.

PUBLIC COMMENT

John Hope, 115 Alsace. Mr. Hope thanked the Council for sponsoring the 3rd annual Black History program, and thanked the Gazette and Observer for publishing attention to their program. Carolyn Howard, 107 New Hampshire Rd., Stanley, spoke, saying she is part of the Mount Holly committee, with Dan Jackson, Danny Jackson, and others. They plan to raise money and have a special sidewalk built on Hawthorne Street, to commemorate the old Freedom neighborhood, the previous site of Rollins School. There will be a memorial there consisting of brick pavers, to name those who attended school there. They are a part of this city's history. Please consider budgeting for these pavers. John Hope, as a committee, we are planning to raise this money ourselves, and feel it is an appropriate endeavor, and want your approval. Mayor Whitt said the Council appreciates that idea, and the contribution the committee is making to Mount Holly and its black citizens.

#1 Joint Meeting with ABC Commission

Carlton Broome, Chairman of the ABC Board, said they have a few months of sales under their belt now, and they feel that the property up on Highway 273 is more than the ABC Board can afford to pay. They know the city has some expenditures on that, but they want the city to sell that property to someone else and let the Board find another site. The selling of the property should reimburse all or most of the money the City has already spent, and the ABC Board's funds are allocated to expenditures and then the profit goes to the City anyway. One of the other things the Board has talked about, and have concerns about, is the Highway 273 site's proximity to I-85 and the danger for robberies and therefore

to the employees. The most they can afford is \$4,000 a month, so that facility will be too expensive. David Moore said, we talked about the safety issue, and David Beck said there have been a string of robberies of ABC stores near the interstate, but I think the board itself is making a wise decision based on the cost of the property. I know we looked at that site near I-85 for its location, but I think in the end wherever we put the store will work; Mr. Moore further stated that there is someone that wants to build a store and lease it to the Board. I think now with all the City has on its plate the Council should consider what they are recommending. Councilman Hope said the council members need time to think over this, so he asked that this matter be put on the agenda for Monday night, and if we change course, we need to look most at how to recoup the citizens' money spent on that site. Mr. Broome said the Board appreciates the City wanting to do this for the Board, and that site was originally his pick also, but now he feels differently and feels the temporary location where it is now is better. Mr. Broome said he really thinks that on selling that site the City would get the money back. Councilman McLean asked, do you see us having two stores somewhere down the road? Mr. Broome replied, I don't know, I think it would be hard to be cost effective in a town this size, even though drawing from other areas; that may be years down the road. There are only four stores in NC that make better than 15% profit, the reality is everyone thinks it increases your revenue, and it is not necessarily true. Mayor Whitt asked if on the current lease, is the city the lessee? Can you get that changed so that you are the lessee? Mr. Broome said, the owner was hesitant to lease to an ABC Board but we can try. All three ABC Board members were present.

#2 Private Clubs in B1 Zoning District.

David Kraus said that there are some concerns about Central Station. Danny Jackson said this is a zoning issue as to whether you want that business activity in your downtown area; we want Council direction. My understanding was the Council did not want dance clubs. We cannot control the ABC part of it, but we can control zoning. When the business owner applied for a business license, it was supposed to be a sports bar with food. He has a problem with the health department, so the food is not being sold. The ABC Board said he had to sell a certain amount of food or it is a private club, not a restaurant/sports bar. Mr. Beal had copies of the ordinance and the prior minutes at this meeting. Councilman McLean asked, does the 300 feet rule apply? Mr. Jackson said, ABC rules require 50 foot distance from building to building; for zoning it is 300 feet. City Manager Kraus stated that the City can't regulate alcohol consumption, but it can regulate land use. Mayor Whitt, do you define these terms? Mr. Beal said, yes, from Webster's dictionary. Mayor Whitt said, if we were to assume for the sake of argument it is a lounge, then is it 300 feet from the church? Mr. Jackson replied, No. But as a sports bar, that is not the rule. His zoning permit was for a sports bar. Mayor Whitt asked, if someone gets a permit to do thing A, and then they do thing Z, what do you do? Mr. Jackson said that a violation of the permit might cause a revocation of the permit. Mr.

Beal has consulted the state ABC Board attorneys to get direction on this. Mr. Whitt pointed out that they don't deal with land use, do they? Mr. Beal agreed they do not. Councilman Hope asked for clarification: how did they get an ABC permit before the health department cleared them? Mr. Jackson said that as far as the procedure, there are several steps: a sign off on the zoning, the building, fire, and health department. Councilman Hope said, we should not allow them to get a permit until they have both clearances. Councilwoman Harris asked, what if a citizen thinks they are doing everything right, but they were not, and just were not told the right things to do? Mayor Whitt said that would be just like getting a speeding ticket, ignorance of the law is no excuse. Mr. Whitt said, our definition of a night club is that they are open at night and sell drinks. Mr. Beal said that is true, but when they applied they stated it would be a restaurant/sports bar. Mayor Whitt asked, is there not a violation at this point? Mr. Jackson said, there was an intent in 2003 that there was a difference between a dance club and a sports bar. I want to know if that is your interpretation of the current ordinance, that there is a difference? The Planning Commission said that is a night club. Mr. Kraus said, if for the sake of argument, it was a violation, what is the procedure? Mr. Jackson said, we have to cite the violation and give notice and give an opportunity for a hearing. Councilwoman Harris, if they do what they need to fix things so that he can sell food, would they keep their permit? Mr. Jackson replied that if they come into compliance in a timely manner, they would not be revoked. Councilman Hope said the city needs to tweak this ordinance so that this situation does not happen again, and let staff handle this. Mr. Hope further stated it was his intention when that was passed was to not have a bar that sells alcohol.

(Cindy was called away from taking minutes by an urgent phone call from home)

#3 To Consider Amending Zoning Ordinances Concerning Storage Lots Along the NC 27 Gateway

(Cindy was away from taking minutes by an urgent phone call from home)

#4 To Consider Upcoming Annexation Issues

(Cindy was away from taking minutes by an urgent phone call from home)

City Attorney Michael stated that the letter of credit assures that the infrastructure will be built if the developer fails to perform; then the city has the funds to do it. The letter of credit amount is based on 120% of the estimate of cost for the infrastructures calculated by our engineer. One item he proposed to eliminate is under Subparagraph A, saying the letter of credit must be retained until the subdivision plan is in place. This particular letter of credit is only intended to be until the developer has single ownership, the second letter of credit to be done later would be for the subdivision development. The developer has to run an extension so that the water lines can be looped. This is in line with what has been done on other subdivisions, but Council can add other provisions that it may wish. Councilman McLean said, the water line from Pine Street that you are tapping onto for this is a six inch line, but that needs to be an eight inch.

Ridgeview is supplied from the 85 tank, this is supplied from the Stanley tank. City Manager Kraus said, we hope this will loop the lines so that pressure from both tanks will take care of that. They will have to put in a pressure reducing valve. Mayor Whitt asked, does anyone want to make additions to this agreement? Mr. Kraus said, it does not have to be limited to utilities. Councilman Moore said, can it be open space? Mr. Kraus said, yes, and other things. Danny Jackson stated that a good portion of it was the greenway easement. Mr. Kraus said they are looking at a connection to East Gaston High School with regard to the greenway. Mayor Whitt asked, are there open areas in the middle of the subdivision? Mr. Jackson replied that it is by calculation only at this point, and in his experience they put the worst terrain in that open space requirement. Mr. Kraus said, are there pocket parks and a swimming pool in this development? Yes. Mr. Beal said, 23 acres would be required per our formula. Mr. Whitt said, the problem here is it is late in the game for this subdivision. Mr. Jackson said, this subdivision is in our jurisdiction, so even if he does not annex, he has zoning approval because he meets existing jurisdiction rules, but you can put requirements in the annexation agreement and if he agrees to them, good. Councilman McLean said, that water line that feeds into our lines needs to be eight inch, and we are in the driver's seat. Mr. Kraus, what he is saying is we need to make him tie into Deerfield instead of Pine Street. How far is that? Maybe a quarter mile. Councilwoman Hubbard, if he fails, we would have his letter of credit and we could put in the line McCurdy would need? Mr. Kraus said, yes, the City would use that money and put the line in, but the money in this letter of credit covers a six inch line, not an eight inch line. Mr. Michael said the city's obligation is just to provide water to the acreage tract if it is annexed, so this would cover that obligation. Councilman Moore suggested we try to get him to tie that eight inch line into Deerfield so that there would be no pressure problems in the future. Councilman Hope said, but that is only if he doesn't build the subdivision that we would need to have his money to put in the eight inch line, that is a future situation. Councilwoman Hubbard, did you not say this is 120%, so would that mean we could use all that money? Mr. Michael said you can use the money only that is required to meet the city's obligation to provide water to the edge of the tract annexed.

David Kraus discussed next the proposed JP Development subdivision. These are the water and sewer extensions. The city has not been involved in the discussions of the developer. We do know that to expand the trucking plant and do this subdivision, they would have to have a pump station unless they go through Mr. Tallent's land. We believe they are currently provided water and sewer on Highway 273; but the developer wants you to condemn that tract. Council all said they are not going to do that. Councilman Hope said, that pump station is not a large expense. Their problem is between two people and we are not getting in the middle of that. Councilman Moore asked, do we have an annexation agreement? We do not on this subdivision, because it has utility service only. Mr. Michael said we can put requirements in the subdivision plan, which Danny Jackson confirmed. Mayor Whitt stated, if we do nothing, this

property is going to come into the city, and if he does not develop it, it is his choice; it will be annexed at the end of the month.

City Manager Kraus next discussed the Hinshaw Properties subdivision. He asked Mr. Beal if he got in touch with the developer? Mr. Beal said, no, but he left messages. Mr. Kraus said, we have never voted on the annexation; we are waiting on the engineering report, so that we can do the annexation agreement for water service to be extended. He is in our ETJ jurisdiction.

#5 To Discuss Strategic Plan

Council agreed most could meet on the next Wednesday at 2:00. Mr. Kraus will verify that and let everyone know.

#6 To Discuss Meeting in Stanley

Stanley has invited Council to meet with them next Thursday, March 9, beginning at 6:15, to discuss how we can work together and grow together. This meeting will allow board members from neighboring towns to talk over future growth affecting our towns. All council members said they plan to go.

Round Table

Councilman Moore said another lady has asked him about using the Tuckaseege Center for a reunion of the Mount Holly graduates from 1960-1970.

Councilman Moore said he had a lady call to say she doesn't want to have the address in Catawba Heights changed to Mount Holly because it will mean everything has to be changed on her records.

Councilwoman Hubbard asked about the grates around the trees; are they rusted, or are they painted? Mr. Kraus said they are not painted. Staff is trying to decide if they should be painted or just remove the rust.

Councilwoman Harris reported to the Council that she has asked the City Manager to put some money in the budget for special events for your consideration.

Councilwoman Harris asked if the concerns of the man on Payne Street have been addressed? Danny Jackson said, Teresa plans to hire someone to get that cleaned up as to our part of it. Lessie gave the apartment complex a time frame to clean up their part of it. Councilwoman Harris said that was really disgusting that those people in those apartments move out and they just dump stuff all over that embankment. It has been there quite some time.

Councilman Bishop reported a pickup truck at Catawba Avenue and Highland Street that has been sitting there a long time with grass growing up around it. Mr. Beal will go and look at it.

Councilman Bishop stated that adjusting fees is a problem, because we don't understand how W. K. Dickson got the numbers they did, so we asked them what they would charge to do the figures, and they want \$6,400 to do that. Can we not get a formula from other cities, like Lincolnton? Mayor Whitt said it is important to justify your numbers. Mr. Whitt added a comment, that we'll have reports from committees at the workshops, not at regular meetings.

Councilwoman Hubbard reported on the land use committee, that their our first step is to read the zoning and subdivision ordinances, which is over 200 pages.

Councilman Moore reported for the beautification committee. Its first project is the sign at I-85 and 273. On March 25th, the Boy Scouts will be out there working on it.

Mayor Whitt said that word is out about us taking over some area for the change to our post office. This is the packet from Sue Myrick's office of the procedure to follow. One of the suggestions is a petition.

Mayor Whitt reported that he met with the downtown committee today, and he is going to join the Mayor's Forum. Belmont Chamber said they wanted to have the mayors meet at the City Café here.

Mayor Whitt said that Ann Danzi had sent him an email with possible funding for the A&E building.

Mayor Whitt asked about the Catawba Colony and River Center, on the southeast side of the Catawba River and Hwy. 74, what is that? The rumor is that they are moving the Merchandise Mart there.

David Kraus said he has choices for Council to look at for the stamps for the crosswalks on Main Street. The recommendation is terra cotta and gray.

#7 Closed Session

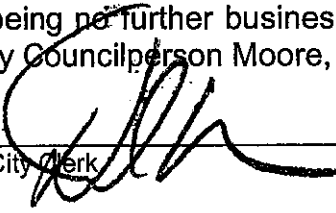
Councilman Bishop MOVED to go into closed session for personnel matters, seconded by Councilman Mclean, and carried by unanimous vote.

Councilperson Harris moved to return to open session, seconded by Councilperson Mclean, with all in favor.

Jerry Bishop talked about system development fees. Phyllis Harris said she did not want to go to the meeting with Stanley until the information was clear. Mayor Whitt said he would call the Mayor in Stanley.

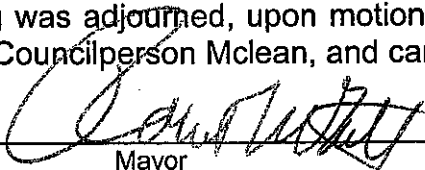
ADJOURN

There being no further business, the meeting was adjourned, upon motion duly made by Councilperson Moore, seconded by Councilperson Mclean, and carried.



City Clerk

cpm



Mayor

(Closed Session minutes taken by someone else)