CITY OF MOUNT HOLLY

CITY COUNCIL MEETING MINUTES

MONDAY, FEBRUARY 10, 2025

COUNCIL CHAMBERS

7:00 PM

CALL TO ORDER

Mayor Moore called the meeting to order at 7:00 pm. The following were present:

Mayor David Moore	Jonathan Blanton, City Manager
Mayor Pro Tem Lauren Shoemaker	Brian DuPont, Assistant City Manager
Councilman Ivory Craig	Alexis Hines, Human Resources Director
Councilman Jeff Meadows	Brian Reagan, Police Chief
Councilman Bryan Hough	Greg Beal, Planning Director
Councilwoman Phyllis Harris	Ryan Baker, Fire Chief
Councilman Kenneth Reeves	Robert Stewart, Deputy Utilities Director
Marie M. Anders, City Attorney	Eric Smallwood, Parks and Recreation Director
Tara Douglas, City Clerk	Michelle Wood, Finance Director
	Matt Black, Economic Development Director
	Jason Green, Public Works Director

INVOCATION

Pastor Kara Stewart from Good Shepard Lutheran Church led the Council, Staff, and attendees in prayer.

PLEDGE OF ALLEGIANCE

Boy Scout Troup #59 led the Council, Staff, and attendees in the Pledge of Allegiance.

SET THE AGENDA

Mayor Moore entertained a motion to set the agenda as presented.

Motion: Councilman Meadows made a motion to approve the agenda as presented. Mayor Pro Tem Shoemaker seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

CONSENT AGENDA

1. Call for a Public Hearing to Rezone PID numbers 218759 and 218760 from HI (Heavy Industrial) to B3 (General Business).

2. Call for a Public Hearing to consider rezoning a portion of a 2.13-actre tract of land located at 501 Belmont-Mount Holly Road Tax Parcel ID #183899, from R-12 Single Family to B-3 General Business, as submitted by Billy Rick.
3. Approval of Mooreland Oaks Bond Reduction
4. Approval of Release of Two Liens for Nuisance Abatement
    - 515 cherry Street-Parcel ID# 181793
    - 511 Cherry Street- Parcel ID#181795
5. Approval of a Resolution Declaring Conveyance of Property: 1911 Fire Truck and Old Equipment.
6. Approval of Minutes from the January 27, 2025 Council Meeting
7. Approval of Minutes from the January 27, 2025 Closed Session

Mayor Moore entertained a motion to approve the Consent Agenda as presented.

<u>Motion:</u> Councilwoman Harris made a motion to approve the Consent Agenda as presented. Councilman Reeves seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

<u>PRESENTATIONS</u>

1. Swearing in of Fire Training Captain Kevin Baynard and Firefighter Brandon Clingerman

Mayor Moore and Chief Baker

Mayor Moore administered the oath of office to Firefighter Brandon Clingerman. Firefighter Clingerman was pinned by his father. Chief Baker stated that the number on his badge will follow him throughout his career.

Mayor Moore administered the oath of office to Fire Training Captain Kevin Baynard. Captain Baynard was pinned by his wife Tiffany.

2. Consideration and Approval of the Works that will be Installed in the Outdoor Gallery

Paul Lowe

Mr. Lowe stated that the six works that are provided for review will replace the current installations that are on display in the Outdoor Gallery at the pergola adjacent to City Hall. Mr. Lowe reminded the Council that the art was generated by Arts Mount Holly's annual Plein Air Event. Mr. Lowe stated that if the art is approved, staff will work with our contractor to have the

Outdoor Gallery updated by the end of April 2025. Mr. Lowe stated that the PAAC reviewed and recommended approving the art at their January 15, 2025 meeting.

Motion: Councilman Meadows made a motion to approve the artwork that will be installed in the outdoor gallery. Mayor Pro Tem Shoemaker seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

PUBLIC HEARING

1. Consideration of a proposed installment contract between the City of Mount Holly and Dean N. Stroupe Family Limited Partnership. ***Jonathan Blanton***

Mayor Moore entertained a motion to go out of the regular meeting and into the public hearing.

Motion: Councilwoman Harris made a motion to go out of the regular meeting and into the public hearing. Councilman Hough seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

Mr. Blanton stated that tonight we will be going into a public hearing for the purpose of discussing whether the City should enter into an installment purchase contract with Dean N. Stroupe Family Limited Partnership. Mr. Blanton stated that he will discuss the process and the project as he has received a number of inquiries. Mr. Blanton reviewed the timeline of how we got to where we are tonight. Mr. Blanton stated that we are talking about two contracts, one being for the sale of the properties located at 120 East Central Avenue and a second contract located at 128-140 East Central Avenue. Mr. Blanton stated that in February 2024, the Council unanimously approved these two contracts and went through a six-month examination process. Mr. Blanton stated that at the end of those six months, the Council voted to extend the examination period for another six-month period from August until March 2, 2025. Mr. Blanton stated that the question before the Council is whether the City wishes to finance the purchase of these properties. Mr. Blanton stated that this is an option presented to the Council by Dean N. Stroupe Family Limited Partnership approximately six to eight months ago where we would eventually purchase the properties, but we would finance them over a two-year period at 6% interest rate which would equate to approximately $174,000. Mr. Blanton reviewed the notice published in the Gaton Gazette as well as the proposed terms of the agreement with Dean N.

Stroupe Family Limited Partnership. Mr. Blanton stated that the purchase price is $3,143,000.00 and that the City paid $50,000 in September so the cost would be less the $50,000. Mr. Blanton stated that the City would put $200,000 down at the time that the City enters into this agreement leaving a balance of $2,893,000.00. Mr. Blanton stated that the City would accrue $173,580.00 that would total $3,066,580.00. Mr. Blanton reiterated that this is an option for the Council's consideration after the public hearing. Mr. Blanton stated that the Council has the option to not accept the terms of the agreement and of course the public will be allowed to comment. Mr. Blanton stated that this is allowed under North Carolina General Statute 160A-20 and gives the Council the statutory authority to enter into this agreement.

Mr. Blanton stated that there has been no vote on this installment loan nor is the City in any financing purchasing for any of these properties. Mr. Blanton stated that the City has these under contract and if the Council does not take action, we will move forward with the examination period ending on March 2, 2025 and the closing of those properties on March 25, 2025. Mr. Blanton stated that all of these properties have been acquired by the City in Open Session and reflected in the meeting minutes. Mr. Blanton stated that all of these agreements are a matter of public record and have been shared with those who have requested them.

Mr. Blanton stated that the City continues to do its due diligence regarding this project and acknowledged that the City is not where they thought they would be a year ago. Mr. Blanton stated that the goal was to work towards acquiring the properties and enter into a development agreement with a developer who would in turn purchase these properties and incur any costs associated with the project. Mr. Blanton stated that the City issued an RFP (Request for Proposals) last summer that did not yield any responses and then issued an RFQ (Request for Qualifications) which yielded one response. Mr. Blanton stated that the response confirmed that the project the City was looking for was possible, but it was not what the City originally looked at in the plans presented. Mr. Blanton stated that the City continues to work with those private sector partners but that there is some uncertainty surrounding the developmental agreement because the matter of these properties shown in blue on the map must be settled.

Mr. Blanton discussed the environmental testing and stated that the plan was to immediately enter into an agreement with the developer and thus be responsible for those costs. Mr. Blanton stated that given the known uses of the property, the risk was nominal. Mr. Blanton stated that he has a contractor that is prepared to move forward with a phase one environmental study that would be completed in two weeks if he has notice by tomorrow February 11, 2025 which would put the completion date at February 28, 2025. Mr. Blanton stated that if there is no objection from the Council, the City will move forward with this study to demonstrate that the City is taking good faith efforts towards this property. Mr. Blanton stated that this is not legally required by Federal or State statutes but given the uniqueness of this transaction we would like to move forward so that the Council can have this information at the Council Retreat on February 28, 2025.

There were no questions from the Council for Mr. Blanton at this time. Mayor Moore read a statement of the advantages and disadvantages for purchasing this property. Mayor Moore listed the advantages of purchasing this property as increased tax value for the downtown and additional revenue and foot traffic for merchants. Mayor Moore listed the disadvantages of purchasing this property as the $3.4 million dollar cost for the Stroupe and Sisk properties, only one developer interested with no development agreement in place, the City does not control the Happy Shack and the block building, parking concerns with no traffic impact analysis conducted, no environmental study, there needs to be 250 units to be profitable where original plans called for 138 units, there is a financial gap of $8-$15 million by McAdams, closing timing issues and financing issues.

Mayor Moore called those that have signed up to speak during this public hearing to the podium.

1. Rodney Williams-315 S. Main Street: Mr. Williams expressed concern that the phase 1 environmental studies have not been done at this time. Mr. Williams stated that there should be an environmental study done prior to purchasing these properties as it is standard practice. Mr. Williams stated that if the Council chooses not to move forward with the environmental study, the City will assume full responsibility for any hazards discovered. Mr. Williams stated that the Council is selling 131 S. Main Street due to asbestos concerns but plans to buy five buildings without any inspections. Mr. Williams asked the Council not to purchase this property without an environmental study.
2. Gary Brinkley-176 Tom Sawyer Lane: Mr. Brinkley stated that voters voted no to the bond referendum to expand the greenway and to enlarge Veterans Park. Mr. Brinkley stated that the City should be taking every opportunity to lower taxes and not increase taxes. Mr. Brinkley stated that he has concerns about this project. Mr. Brinkley stated that he supports those that have asked for the City to do an environmental study on the property in question. Mr. Brinkley stated that no one has addressed the impacts on schools and traffic.
3. Mr. Bob Henricks stated that there should be an environmental study done prior to the purchase of this property. Mr. Henricks stated that this is a simple case of the cart before

the horse and that this project is not being well thought out. Mr. Henricks suggested that the Council should table this topic until an environmental study is done. Mr. Henricks stated that the citizens voted no to the Veteran's Park Expansion and that no means no.

Motion: Mayor Pro Tem Shomaker made a motion to go out of the public hearing and into the regular meeting. Councilwoman Harris seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

Motion: Mayor Pro Tem Shoemaker made a motion to table this discussion until the February 28, 2025, City Council Retreat pending a phase one environmental study. Councilman Meadows seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

<u>PUBLIC COMMENT- Three (3) Minute Limit</u>

1. Kim Webb 119 Ashley Street- Strong like AK provides financial assistance to parents whose children are fighting cancer. Ms.Webb stated that the Strong like AK house is home away from home for families who are traveling to Levine Hospital. Ms. Webb invites everyone to support their initiative. Ms. Webb invited the Council to a formal ribbon cutting which will be held on March 6, 2025 at 5:00 pm.
2. Bob Hendrix- Mr. Hendrix stated that he has zero intent to take any personal attacks on any of the Council and that he does not mean anything to be personal. Mr. Hendrix stated that there are a number of social media outlets including Mount Holly Town Talk North Carolina. Mr. Hendrix offered his apologies if his words were harsh or perceived as rude on these social media outlets. Mr. Hendrix suggested that the Council members should make sure to meet with citizens that request meetings.
3. Shannon Williams 178 North Main Street- Mr. Williams is a lifelong resident here in Mount Holly. Mr. Willliams stated that he would like the Council to consider easing the burden on the taxpayers. Mr. Williams stated that there have been big increases in water and sewer. Mr. Williams stated that he would like to see businesses brought in that are not centered around alcohol. Mr. Williams stated that he would like to not see any more development at this time, especially since the infrastructure is so tight.
4. Kendle Starcher 123 S. Main Street-Owner of Catalyst Mercantile- Ms. Starcher stated that she would like the Council to consider the full scope of any offer when selecting the winning bid. Ms. Starcher stated that the ideal owner may or may not be the highest

bidder from a monetary perspective but will have the means and plan to get the building up to code as quickly as possible and turn it into a space that will add to the small business landscape of Main Street. Ms. Starcher stated that she would like to present the Council with 144 signatures of Mount Holly residents, business owners, and patrons who agree with their sentiment that the best option to sell the building may not be the highest dollar offer, and we support the Council's right to reject any offer or bid for any reason per the North Carolina upset bid process rules.

NEW BUSINESS

1. Consideration of a request by Jacob Jordan to approve water utilities as an outside customer to 107 Riverside Drive, Gaston County Tax Parcel ID #176293.

Jon Ford

Mr. Ford stated that back in December, the City received a request from Mr. Jacob Jordan for both water and sewer services. Mr. Jordan stated that staff has reviewed the feasibility of the request and determined that the extension of the water line would be feasible however the sewer extension did not make financial sense due to the distance to the closest sewer manhole line. Mr. Ford apologized to the Council stating that the location is wrong in the agenda packet and that the correct address at the corner of Riverside Drive and Horseshoe Lake Road. Mr. Ford stated that Mr. Jordan is planning to potentially subdivide this property and adding an additional house to have city water to it. Mr. Ford stated that Mr. Jordan is here if there are any questions from the Council.

Councilman Meadows inquired as to whether or not this had been done off of Horseshoe Lake Drive. Mr. Ford stated that at 211 Horseshoe Lake is where it is currently extended to, and this is where we will be extending from to go to his property.

Motion: Councilman Craig made a motion to approve the request by Jacob Jordan to approve water utilities as an outside customer to 107 Riverside Drive, Gaston County Tax Parcel ID #176293. Councilman Reeves seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

2. City Manager Report ***Jonathan Blanton***

Mr. Blanton stated that on the consent agenda, there was an approval of a resolution declaring conveyance of property. Mr. Blanton stated that this is a 1999 Fire Truck that the City recently retired, and the Fire Department will be donating that truck to the Town of Hot Springs in Western North Carolina. Mr. Blanton reviewed the current projects and stated that the Ransom Hunter Park will be completed by the Spring or early Summer. Mr. Blanton stated that there are two major projects that are out for bid which are the Dutchman's Creek Bridge and the South Gateway Connector Road. Mr. Blanton stated that the Grand Hall is undergoing the sound upgrades. Mr. Blanton stated that there have been no offers received for 131 S. Main Street. Mr. Blanton stated that for the second year in a row, the Finance Department has been awarded the distinguished Budget Presentation Award from the Government Finance Officers Association.

<u>CLOSED SESSION</u>

1. Closed Session Pursuant to N.C.G.S 143-318.11 (a) (3 and 5)

Mayor Moore entertained a motion to go out of the regular meeting and into closed session pursuant to N.C.G.S 143-318.11 (a) (3 and 5).

<u>Motion:</u> Mayor Pro Tem Shoemaker made a motion to go out of the regular meeting and into closed session at 7:53 pm. Councilman Craig seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

<u>Motion:</u> Councilman Hough made a motion to come out of closed session and back into the regular meeting at 8:12 pm. Councilwoman Harris seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

<u>ADJOURN</u>

With no additional items for discussion, Mayor Moore entertained a motion to adjourn the February 10, 2025 City Council meeting.

<u>Motion:</u> Councilman Hough made a motion to adjourn the February 10, 2025 City Council meeting at 8:13pm.Councilman Craig seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

The meeting adjourned at 8:13 pm.