

**CITY OF MOUNT HOLLY
MOUNT HOLLY CITY COUNCIL MEETING**

Monday, April 14, 2008

Mount Holly City Hall

7:00 pm

Call to Order

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

Mayor Robert Whitt	Eric Davis, City Manager
Mayor Pro-Tem David Moore	Jamie Guffey, Assistant City Manager
Councilman Jerry Bishop	Danny Jackson, Assistant City Manager
Councilman Frank McLean	James Friday, Director of Utilities
Councilman Bennie Brookshire	Dale Oplinger, Fire Chief
Councilman Perry Toomey	Greg Beal, Planner
Councilwoman Carolyn Breyare	Mike Santmire, Streets and Solid Waste Director
Kemp Michaels, City Attorney	Brooke Shepherd, Attorney, Kemp Michaels' office

Invocation

Reverend Scott Anderson of the Lutheran Church of the Good Shepherd led the invocation.

Pledge of Allegiance

Boy Scout Troop 59 of the First United Methodist Church in Mount Holly led attendees in the Pledge of Alliance.

Set Agenda

Mayor Whitt asked for any changes or amendments to the agenda as presented. Mayor Whitt asked that Habitat for Humanity be placed on the agenda as item 6 under New Business. There was no objection.

There being no other changes or additions to the agenda, Mayor Whitt entertained a motion to set the agenda as amended.

Motion: Councilwoman Breyare made a motion to approve the agenda as amended. Councilman Moore seconded the motion and the motion passed unanimously.

AGENDA

CONSENT AGENDA

Mayor Whitt explained to the audience that the items on the Consent Agenda had been discussed by Council at previous meetings and tonight these items are up for approval. The following items make up the Consent Agenda this evening:

1. To accept and appropriate an \$800.00 donation to the Recreation Department.
2. Approve April 24, 2008 as delinquent taxes publication date.

3. Preliminary Plat approval for Phase 1, Map 2 of Dutchman's Ridge Subdivision.
4. Resolution supporting re-activation of the P&N rail line.
5. Authorization to allocate funds for moving expenses.

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

Motion: Councilman Toomey made a motion to approve the Consent Agenda as presented with Councilman Brookshire seconding the motion. The motion passed unanimously.

MINUTES

1. Approval of the minutes for the City Council meeting on March 10, 2008

Mayor Whitt asked Council for any changes or comments to the City Council minutes of March 10, 2008 as presented.

Mayor Whitt noted that on page 4, 5th paragraph down, in the sentence, "He (Mr. Painter) stated that on Hwy. 27 and 273, there are lights burned out that have never been repaired since 2005 and the City of Mount Holly continues the light bill on them ranging from \$15 to \$18 each light a month." should be changed to "He stated that on Hwy. 27 and 273, there are lights burned out that have never been repaired since 2005 and the City of Mount Holly continues *to pay* the light bill on them ranging from \$15 to \$18 each light a month."

Mayor Whitt noted on page 5, 6th paragraph down, in the sentence which reads, "Mr. Davis stated that Council can choose to accept petition or deny the petition for the Voluntary Annexation as presented." should read "Mr. Davis stated that Council can choose to accept *the* petition or deny the petition for the Voluntary Annexation as presented."

Mayor Whitt noted on page 6, last paragraph, in the sentence which reads, "Councilman Toomey stated that the Citizens Center progress is going well with the parking lot ready to be paved, the sidewalks around 3 sides of the building are in place, and the stairwell in the mezzanine area is in place." Should read, "Councilman Toomey, *as Chairman of the Construction Committee*, stated that the Citizens Center progress is going well with the parking lot ready to be paved, the sidewalks around 3 sides of the building are in place, and the stairwell in the mezzanine area is in place."

Mayor Whitt noted on page 7, 3rd paragraph down, in the sentence which reads, "Mr. Davis brought to the attention of Council and the Mayor that some neighboring cities has begun or are talking about easing their water restrictions by allowing citizens to water lawns and clean cars." should read, "Mr. Davis brought to the attention of Council and the Mayor that some neighboring cities *have* begun or are talking about easing their water restrictions by allowing citizens to water lawns and clean cars."

There were no other corrections to the minutes from the City Council meeting of March 10, 2008. Mayor Whitt entertained a motion to approve the minutes as amended.

Motion: Councilman Moore made a motion to approve the minutes from the City Council meeting of March 10, 2008 as amended. Councilwoman Breyare seconded the motion and the motion passed unanimously.

2. Approval of the minutes for the March 24, 2008 Council Work Session meeting

Mayor Whitt asked Council for any changes or comments to the Council Work Session minutes of March 24, 2008 as presented.

Councilwoman Breyare asked a question about the 2nd paragraph on page 9, which reads, "Mr. Davis stated that Freightliner donated a piece of land for Habitat for Humanity on River Street." should read, "Mr. Davis stated that *Habitat for Humanity has received a donation of a piece of land* on River Street." Additionally, Mayor Whitt asked for the spelling of "Miller" Street, same paragraph, the following sentence. Councilman Moore spelled it as *Meller*. Mayor Whitt stated that after Meller Street, the words, "*owned by the City*" should be inserted. The corrected sentence will now read, "Because there was no utility service to that piece of property, some members of Council thought that the land off Meller Street, owned by the City, would be a more suitable location but it was not acceptable to Freightliner."

Mayor Whitt also noted in paragraph 2, page 9, next to the last sentence, which reads, "Mayor Whitt suggested that Mary Harris, Gastonia Habitat for Humanity Director, should be contact with Councilman McLean so he can show her alternative sites." should read, "Mayor Whitt suggested that Mary Harris, Gastonia Habitat for Humanity Director, should be *in* contact with Councilman McLean so he can show her alternative sites."

Mayor Whitt noted that in the 4th paragraph down, page 9, which reads, "Mr. Jackson stated that Tuck Park is still on schedule." should read "Mr. Jackson stated that Tuck Park *construction* is still on schedule."

Mayor Whitt noted on page 6, 2nd paragraph down, which reads, "The Educational Forest group was at odds with all the things that the Trailblazers wanted to do in this are and a problem was created." should read, "The Educational Forest group was at odds with all the things that the Trailblazers wanted to do in this *area* and a problem was created."

There were no other corrections to the minutes from the Council Work Session meeting of March 24, 2008. Mayor Whitt entertained a motion to approve the minutes from this session as amended.

Motion: Councilman McLean made a motion to approve the Council Work Session minutes of March 24, 2008 as amended. Councilwoman Breyare seconded the motion and the motion passed unanimously.

PRESENTATIONS

1. Discovery Place Kids Museum, presented by Debby Curry

Mayor Whitt stated that Ms. Curry is here tonight to speak about the Discovery Place Kids Museum.

Ms. Curry began her presentation by stating that Belmont is being considered as a possible location for a Discovery Place Kids Museum serving Gaston County. The mission of Discovery Place KIDS is to maximize the whole child by providing extraordinary and rich play experiences that value imagination, fun and learning. The target age group is children from birth through second grade and their caregivers. The size of the potential museum is approximately 15 – 20,000 square feet.

Ms. Curry emphasized the Discovery Place KIDS Museum focuses on play and that through play children can gain a sense of “I Can!” Every museum will have a number of exhibit areas which may include the following themes:

- I Can Create
- I Can be Healthy
- I Can Work
- I Can Move
- I Can Build
- I Can Grow
- I Can Explore

Ms. Curry showed concept sketches of the first selected site in Huntersville.

At this time, 45 days of a 90 day Feasibility study has been completed. Upon its completion, the results of the Feasibility Study will go back to the Discovery Place KIDS Board of Directors for their review and upon their findings, they will decide whether to have the second site in this area.

Ms. Curry stated that the current proposed location for the Museum in Belmont is donated space, and shared space at the Stowe Chronical Mill. At this time, the Museum is looking for financial resources in the community to help build the exhibit. They are also looking for support from the community where citizens show interest in using the facility and where there will be volunteers in the community to help in the Museum.

Mayor Whitt suggested that Ms. Curry give this presentation to the Mt. Holly Community Development Foundation as they are a very large group of volunteers who will enjoy this experience.

Mayor Whitt thanked Ms. Curry for her presentation. Ms. Curry told Council and the Mayor that they would be welcomed as play assistant volunteers at the Museum at any time.

Mayor introduced U. S. House Representative, Will Neumann, who was present in audience.

2. ABC Board Report, presented by Carlton Broome

Mr. Broome began his presentation to Council by stating that the Mount Holly ABC Store, located at 2100 Spring Street, was opened on October 1, 2005. At that time, the property was a rental property. The Board borrowed \$127,600 from Wachovia Bank to furnish the premises with a security system, computer, shelving, counter and signage, carpeting, a spirits inventory and some working capital. After 20 months, the Board paid off the entire loan.

In December, 2007, the Board purchased the property at 2100 Spring Street for \$690,000 and additional money was loaned for remodeling and up fitting with the amount of the loan totaling \$800,000. The remodel will be complete by the end of June, 2008.

Mr. Broome gave a simple example on how ABC sales and associated cost of sales is arrived at for the store. For every \$1.00 of sales, .56 goes to the costs of spirits sold and .20 goes to a State excise tax paid. This totals a gross profit of .24 on each dollar. The operating expenses on every \$1.00 sold totals .17 with the net profit of .07 for every \$1.00 sold.

Mr. Broome stated that there is a Law Enforcement Expense and an Alcohol Education Expense and these amounts are based on sales. For the first 9 months of 2007-2008, \$2,531 was paid to the City of Mount Holly for the Law Enforcement Expense. The Alcohol Education Expense was paid to the Gaston County Commission totaled \$3,544. Mr. Broome's other handouts included Profit and Loss Statements and a Balance Sheet.

Mayor Whitt stated that there is a Board member opening for reappointment on the ABC Board for Janice McCrory's position in June. Mr. Broome stated that he will ask Ms. McCrory if she wished to be considered for reappointment and will let Council know. Mayor Whitt asked that any nominations be submitted by the end of May.

Public Comment Reminder – Three Minute Limit

Mayor Whitt reminded all in attendance that the Public Comment period is a time for anyone in the audience, who has signed up on the sign up sheet, to address City Council on any topic for up to three minutes. He added that the sign up sheet is located on the Council Chamber door.

Mayor Whitt stated that at this meeting tonight, there are four Public Hearings and if anyone wishes to speak on any of these items to please sign up as well in the same location.

PUBLIC HEARINGS

1. Consideration of adoption of new annexation strategies, presented by Vickie Bott, UNC Charlotte Urban Institute

Mayor Whitt entertained a motion to go out of Regular Session and into Public Hearing for the purpose of considering the adoption of new annexation strategies.

Motion: Councilman McLean made a motion to go out of Regular Session and into Public Hearing for the purpose of considering the adoption of new annexation strategies. Councilman Moore seconded the motion and the motion passed unanimously.

Mayor Whitt declared that we are in Public Hearing to consider the adoption of the new annexation strategies.

Mayor Whitt stated that no one has signed up to speak. He turned over the presentation to Ms. Bott of the UNC Charlotte Urban Institute.

Ms. Bott began her presentation by stating that the annexation strategies are one of the last components of the Strategic Vision Plan. A municipality's power to annex is one of the two

important tools for managing its growth and providing for efficient and effective delivery of public services. The other tool is the use of extra-territorial jurisdiction (ETJ), which allows cities and towns to exercise land use and zoning control over areas that are likely to be annexed in the future without taxing them or providing public services. These tools allow for more orderly growth and development that is compatible with the community's long-term vision and that can cost-effectively be provided with public services.

Ms. Bott stated that the Annexation Evaluation and Approval Policy begins with three policy elements and they are:

1. Planning Review – Council shall determine whether or not it wishes to pursue the petition. If Council wishes to consider the petition, the petitioner will submit to the City Manager a site plan and an engineering report regarding anticipated utility extensions and cost estimates and the proposed rezoning request. The City Manager will submit to Council within 90 days the petitioner's completed submittals and a written Annexation Evaluation Report.
2. Evaluation Criteria which deals with Conformity – Is the proposed annexation consistent with the Strategic Vision Plan, the Residential Voluntary Annexation Design Guidelines if applicable, the Land Development Plan and other relevant adopted plans or studies. The Evaluation Criteria must also deal with Impacts such as City services capabilities, fiscal cost/benefit, special circumstances, opportunity costs and other factors as outlined in the Policy Element #2 of the Evaluation Criteria.
3. Annexation Evaluation Coversheet – a sample of which is included on page 3 of the Annexation Policies handout.

Mayor Whitt asked staff if they had an opinion on the Annexation Policy as presented. Mr. Davis stated that planning staff has met with Ms. Bott and Ms. Ryan and feels confident in what is being submitted to Council this evening on this matter.

There being no other questions or comments, Mayor Whitt entertained a motion to go out of Public Hearing and into Regular Session.

Motion: Councilman Moore made a motion to go out of Public Hearing and into Regular Session. Councilman McLean seconded the motion and the motion passed unanimously.

Mayor Whitt declared that we are back in Regular Session and asked Council what action they wished to take this evening on this matter.

Motion: As a part of our Strategic Vision Plan, Councilman Toomey made a motion to accept, not adopt, the Annexation Policies as presented. Councilman Bishop seconded the motion and the motion passed unanimously.

1. Consideration of Adoption of the Strategic Vision Implementation Plan, presented by Deb Ryan, UNC Charlotte Urban Institute

Mayor Whitt entertained a motion to go out of Regular Session and into Public Hearing for the purpose of considering the adoption of the Strategic Vision Implementation Plan.

Motion: Councilman Moore made a motion to go out of Regular Session and into Public Hearing for the purpose of considering the adoption of the Strategic Vision Implementation Plan. Councilwoman Breyare seconded the motion and the motion passed unanimously.

Mayor Whitt declared that we are in Public Hearing to consider the adoption of the Strategic Vision Implementation Plan.

Mayor Whitt stated that no one has signed up to speak. He turned over the presentation to Ms. Ryan of the UNC Charlotte Urban Institute.

Ms. Ryan stated that one of the last components of the Strategic Vision Plan is the Implementation Plan. This document involves the prioritization of recommendations made throughout the components of the Strategic Vision Plan and addresses certain action steps with a timeline. This has been a two year plan in the making and it is ready for Council's consideration to adopt or accept.

Mayor Whitt asked for any questions or comments. Councilwoman Breyare asked about the location of the South Gateway Village. Ms. Ryan stated that this area is across from the hospital by the veterinarian office. That area would have concentrated retail use instead of scattered retail use along the road and would provide restaurants and shops for employees from the hospital and other businesses to use during their lunch breaks and after work.

Mr. Davis stated that staff met with Ms. Ryan last week and reviewed the plan. The impending specific dates for activity deadlines have been revised to show the categories of priorities as follows: Immediate, Intermediate, and Long Range. He added that staff feels comfortable with these guideline classifications.

Councilwoman Breyare wanted more information regarding the establishment of an Economic Development Office under Immediate Priority. Mr. Davis stated that initially there was some discussion about hiring an Economic Development employee but a zoning officer and a long range planner are the City positions that we are currently trying to fill.

Councilman Bishop noted that the Implementation Plan is just a plan, it is not set in stone, and even if adopted, it can still be changed.

There being no other questions or comments, Mayor Whitt entertained a motion to go out of Public Hearing and into Regular Session.

Motion: Councilman McLean made a motion to go out of Public Hearing and into Regular Session. Councilman Moore seconded the motion and the motion passed unanimously.

Mayor Whitt declared that we are back in Regular Session and asked Council what action they wished to take this evening on this matter.

Motion: Councilman Bishop made a motion to accept the Implementation Plan as presented. Councilman McLean seconded the motion and the motion passed unanimously.

Mayor Whitt thanked Ms. Ryan for her presentation. She stated that she and Ms. Bott will be back next month.

3. Consideration of a Moratorium in the Gateway Corridors, presented by Danny Jackson, Assistant City Manager, and Greg Beal, Planner

Mayor Whitt entertained a motion to go out of Regular Session and into Public Hearing to consider a Moratorium in the Gateway Corridors.

Motion: Councilman McLean made a motion to go out of Regular Session and into Public Hearing to consider a Moratorium in the Gateway Corridors. Councilman Brookshire seconded the motion and the motion passed unanimously.

Mayor Whitt declared that we are in Public Hearing for the consideration of a moratorium in the Gateway Corridors.

Mayor Whitt stated that no one has signed up to speak. He turned the presentation over to Mr. Jackson.

Mr. Jackson stated that the City is near completion regarding the Economic Development Strategic Vision Plan and because of this, staff needs time to consider certain text amendments to the Zoning and Subdivision Ordinances. These changes would involve new design guidelines for developments within certain Gateway areas which are designated as the Downtown-Riverfront and South Gateway. To allow staff enough time to develop the necessary regulations for the Gateway areas, Council needs to establish a moratorium to ban the issuance of Zoning and Building permits within the designated Gateway Areas.

Mr. Beal stated that the Resolution before Council requests a moratorium for a 90 day period. During that 90 period, staff will continue to bring information back to Council and requesting their feedback on a monthly basis.

Mayor Whitt suggested that the 90 period be increased 120 days so that staff will have enough time to complete their work. Mr. Davis felt that was a prudent decision as well.

There being no other questions or comments, Mayor Whitt entertained a motion to go out of Public Hearing and into Regular Session.

Motion: Councilman McLean made a motion to go out of Public Hearing and into Regular Session. Councilman Moore seconded the motion and the motion passed unanimously.

Mayor Whitt declared that we are back in Regular Session and asked Council what action they wished to take this evening on this matter.

Motion: Councilman Bishop made a motion to approve Resolution #041408 for a 120 day moratorium on the Gateway Corridors to study the implementing of the Strategic Vision Plan effective April 15, 2008 and expiring on August 14, 2008 as presented. Councilman McLean seconded the motion.

Mayor Whitt was concerned about those who have already submitted a building permit application before this moratorium and questioned whether they would be protected with their submission even though nothing has been acted on. Mr. Beal stated that the applicant may not necessarily be protected based on their application date as there are other issues that would have to be addressed such as whether water and sewer services are at the site. An application submitted before a moratorium doesn't always protect the applicant per the Statutes.

Mayor Whitt was also concerned because Habitat for Humanity submitted building permit applications on Friday afternoon for two houses on River Street in the Gateway area and he wanted Habitat for Humanity's application to be treated equally and fairly as the City of Mount Holly would treat anyone else's application in this same situation.

Mr. Beal noted that Council is probably wondering whether Habitat's application was complete in staff's eyes. He stated for this application, the water and sewer has not been addressed as it would cost the City \$20,000 to extend services to those sites and the City was not going to front the cost. In addition, other applicants for building permits were ahead of Habitat's application and according to the City Ordinance, there is at least a 10 business days waiting period to receive the permit. Gaston County would also have to issue a building permit for this project and that has not been done.

Councilman McLean stated that he doesn't want to hold up Habitat's application but it will cost the city money to extend water and sewer to their present site location. He felt that there should be other locations for them to build on. Councilman McLean asked that the moratorium be extended until May 1, 2008 and made the following motion to amend the original motion:

Motion: Councilman McLean made a motion to amend the motion on the floor that the starting date for the moratorium should begin on May 1, 2008 for 120 days. Councilman Brookshire seconded the motion. Mayor Whitt asked for a show of hands for the amended motion. The motion was defeated by a vote of 2 in favor to 4 with Councilmen Moore, Toomey, and Bishop and Councilwoman Breyare casting the dissenting votes.

Because the motion to amend the previous motion was defeated, Mayor Whitt returned to the original motion and entertained the final motion for Consideration of a Moratorium in the Gateway Corridors:

Motion: Councilman Bishop made a motion to approve Resolution #041408 for a 120 day moratorium on the Gateway Corridors to study the implementing of the Strategic Vision Plan effective April 15, 2008, beginning at midnight tonight and expiring on August 14, 2008 as presented. Councilman McLean seconded the motion. The motion passed by a vote of 4 to 2, with Councilmen McLean and Brookshire casting the dissenting votes.

4. Consideration of Amendment for Multi-Family Developments, presented by Danny Jackson, Assistant City Manager

Mayor Whitt entertained a motion to go out of Regular Session and into Public Hearing for the purpose of considering an Amendment for Multi-Family Developments.

Motion: Councilwoman Breyare made a motion to go out of Regular Session and into Public Hearing for the purpose of considering an Amendment for Multi-Family Developments. Councilman McLean seconded the motion and the motion passed unanimously.

Mayor Whitt declared that we are in a Public Hearing to consider an amendment for multi-family developments.

Mr. Jackson stated that at the March 24, 2008 Council Work Session, staff presented a proposed amendment to the Zoning Ordinance that involved development criteria for multi-family developments. The proposed amendment primarily addresses the issue of the street system within such developments. Typically the streets within these types of developments are privately maintained and therefore not constructed to the standard of public streets. The proposed amendment would require all streets within multi-family developments to be constructed to the minimum standard as outlined in the City's Standard Detail Manual for Development and it also details the full scale review process for multi-family developments, including staff recommendation to Council as to whether or not the street system should be private or public. Mr. Jackson added that the Planning Commission voted in favor of this proposed amendment as submitted by staff.

Mayor Whitt stated that no one has signed up to speak on this matter.

There being no other questions or comments, Mayor Whitt entertained a motion to go out of Public Hearing and into Regular Session.

Motion: Councilman Toomey made a motion to go out of Public Hearing and into Regular Session. Councilwoman Breyare seconded the motion and the motion passed unanimously.

Mayor Whitt declared that we are back in Regular Session and asked Council what action they wished to take this evening on this matter.

Motion: Councilman Toomey made a motion to approve the text amendment for Article VII, Note 5 of the Zoning Ordinance, regarding development criteria for Multi-Family Developments. Councilman Bishop seconded the motion and the motion passed unanimously.

Mayor Whitt called for a 5 minute break at 8:35 pm.

Mayor Whitt called the meeting back to order at 8:40 pm.

PUBLIC COMMENT PERIOD

Mayor Whitt stated that we have arrived at the time for Public Comments so that those who have signed up to speak before Council may speak up to three minutes. He stated that there are two people who have signed up to speak and he invited the first speaker to the podium.

Jim Guin
118 Forest Hills Dr.
Mount Holly, NC

Mr. Guin stated that he is here tonight on behalf on Mount Hollydays, Inc. and he appreciated the time to inform Council and the Mayor about the activities that are forthcoming during the holidays.

Mr. Guin stated that Mount Hollydays events are scheduled for Friday, Dec 5, 2008 and Friday, December 12, 2008. Some of the activities include horse drawn carriage rides, hayrides, a children's story telling event, a street Nativity Scene, Street Carolers, and the possibility of having a King and Queen and Prince and Princess for Mount Hollydays.

The Tree Lighting is scheduled for November 30, 2008 and Mr. Guin extended an invitation to the Mayor and Council to be in attendance for this occasion. He added that Mount Hollydays will have a booth at Spring Fest with information on all these activities as well as information on a fundraiser for solar powered lights for the trees in the downtown Mount Holly area. These solar lights will be sold in memory of loved ones or family and friends.

Lastly, Mr. Guin stated that there will be a Shag night sometime in September. He also mentioned that all these activities can be viewed on their website at www.mounthollydays.com

Mayor Whitt thanked Mr. Guin for the information and for all the work that he and the Mount Hollydays, Inc. Board has been doing.

Mayor Whitt invited the next speaker to come to the podium to speak.

Ms. Lee Brinkley
120 Oakland St.
Mount Holly, NC

Ms. Brinkley stated that the Farmer's Market will be reopening on May 10, 2008 from 8:00 am until 12 noon. During its season, she stated that there will be nine food preparation events and nine entertainment events at the market. There will also be recycling, conservation, seed saving, and nutrition events, and possible events on how to initiate community gardens.

Ms. Brinkley extended an invitation to the Mayor and Council to come down on opening day at the Farmer's Market.

OLD BUSINESS

There was no Old Business to report.

NEW BUSINESS

1. Adoption of Economic Development Local Investment Grant Program, presented by Eric Davis, City Manager

Mr. Davis stated that included in the agenda packet is a proposed Economic Development Local Investment Grant program that is identical to the Gaston County program which has been adopted in Gastonia, Bessemer City, Belmont, Cherryville and Stanley. This program offers grants based on the amount of property taxes paid to the City for a specified period of time and the years of eligibility and grant amounts vary based upon the investment by a company.

Mr. Davis stated that this is a way for Mount Holly to encourage new investment and it is not limited to new companies only but rather is available for existing companies to investigate opportunity to expand. The program provides grants to companies investing in Mount Holly and the grant will be established by an application with the City of Mount Holly. The company must pay their taxes in full each year based on the actual tax value of the property or investment. If the company meets all of the criteria in the application, a portion of the property tax will be returned as a grant. The amount of the grant is based on a sliding scale based on a one to ten year plan depending on the amount of investment and that all investments in real property, new machinery and equipment within certain dollar ranges as shown in the handout would be eligible for a grant, as long as the company meets all of the criteria in the application.

Councilman Toomey stated that he would certainly endorse grants to keep businesses in the city. Mayor Whitt stated that he knew the importance of keeping economic activity here in Mount Holly but he didn't want to give up taxes too. He wondered if the Industrial Grant 1 scale be bypassed in favor of higher levels of investment as shown in Industrial Grant 2 through 4 where all investment in real property, new machinery and equipment would be eligible for a grant as shown on the sliding scale in the handout. A retail grant was also available in that all retail investments with an aggregate investment of \$40,000,000 would qualify for a grant as shown in the handout with the maximum time period of five years.

Mr. Davis stated that Council may choose to streamline and approve whatever levels they so wish. However, the Industrial Grant 1 for investment in real property, new machinery and equipment of \$1,000,000.00 would help older or existing companies.

Councilwoman Breyare asked if other municipalities have adopted this grant program as presented this evening. Mr. Davis said they have adopted it. Councilman Moore wanted to keep the program the same as the County. It was the consensus of Council that the \$1,000,000 threshold was a good starting point.

There being no other discussion on this matter, Mayor Whitt asked Council what action they wished to take this evening.

Motion: Councilman Toomey made a motion to approve the Adoption of Economic Development Local Investment Grant Program as presented by staff. Councilman Bishop seconded the motion and the motion passed unanimously.

2. Adoption of a Resolution Requesting Authority to Levy a Hotel/Motel Occupancy Tax, presented by Eric Davis, City Manager

Mr. Davis stated that in order to enact this tax, the City would have to have local legislation approved by the General Assembly. He added that Representative Neumann has agreed to introduce a Bill that would give Mount Holly this authority and this Bill must be introduced before May 13, 2008 to be considered by the General Assembly in this Session. In addition, the approval of this Resolution would have to be unanimous by City Council before Representative Neumann would introduce it in the Legislature.

Mr. Davis stated that by Statute, local governments can charge 6% local occupancy tax of which Gaston County's portion is 3%. Our 3% share must be spent on advertising, marketing, or paying for projects that bring tourism to the City. The Resolution before Council tonight just reveals Council's interest in levying the tax. Before Mount Holly could levy the tax, the City would have to hold a public hearing and this would be done after the City gains the authority to levy the tax. Once the City Council approves the tax, a Tourism Development Authority (TDA) would have to be appointed and established by Council and 1/3 of the number of members must be in the hotel/motel/bed and breakfast industry. All funds go to the Authority and they are responsible for determining how the funds are spent which would be for advertising, marketing, and/or sponsoring tourism building events, all upon the approval of Council

Mr. Davis calculated that this tax would be one penny on the tax rate totaling around \$80,000 for Mount Holly. Of this amount collected, 2/3 of it would go to advertising and marketing and 1/3 would go to projects to increase tourism for the City.

It was the consensus of Council that this tax would be advantageous for Mount Holly.

Motion: Councilman Bishop made a motion to approve and adopt Resolution 041408B to Request Authority to Levy a Hotel/Motel Occupancy Tax. Councilwoman Breyare seconded the motion and the motion passed unanimously.

NEW BUSINESS

1. To Consider Bid Award to purchase a new garbage truck, presented by Michael Santmire, Streets and Solid Waste Director

Mr. Santmire stated that the City received seven bids on a 25 cubic yard rear loader garbage truck and the bids were open in City Council Chambers on March 28, 2008. Adams International Trucks was the lowest bid at \$121,652.35 and the highest bid being Freightliner at \$156,273. The City budget for the truck is \$125,000.

Recorder went out at 9:05 pm

Motion: Councilman Bishop made a motion to accept the Adams International Trucks bid of \$121,652.35 for the 25 cubic yard rear loader garbage truck as presented. Councilman Toomey seconded the motion and the motion passed unanimously.

3. Discussion to change the May Work Session meeting, presented by Eric Davis, City Manager

Mr. Davis stated that the May Work Session is scheduled for Monday, May 26, 2008, which is Memorial Day and City offices are closed for Memorial Day. Council may wish to move the date of this meeting or may wish to cancel this Work Session as there will be a Budget Meeting on May 19, 2008.

It was the consensus of Council and the Mayor to look at their schedules closer to that time and if a Work Session is needed, it can be scheduled at another time. But for scheduling purposes now, the May 26, 2008 Work Session is removed from the Council's and the Mayor's calendars.

2. Cell Tower Lease Extension-Stanley Water tank, presented by Brooke Shepherd, Attorney, Kemp Michael's office

Ms. Shepherd stated that the City of Mount Holly owns and maintains a water tank constructed in 1995 on Highway 27 near Stanley. The City of Stanley granted an easement to the City of Mount Holly upon which the tank was constructed.

On October 28, 1997, the City of Mount Holly signed a lease agreement allowing Bell South (now AT&T Mobility) to place up to six cell phone antennas on the water tank. The term of the contract was five years with an option to extend to another five years. After this extension option ran out, the lease ran year to year unless one of the parties chose to terminate the agreement. The original rent was \$15,000 a year for the first five years and increased to \$17,250 per year for another five years. Once the rent was on a year to year basis, it increased by 3% a year. The revenue is split between Stanley and Mount Holly as Stanley owns the real estate and Mount Holly owns the tank.

Ms. Shepherd continued with the details of subsequent agreements between Mount Holly and Stanley and in January, 2008, she negotiated with AT&T Mobility regarding an amendment extending the original contract. The proposed contract extension is as follows:

1. An initial lease term of five years which can be renewed five times creating a contract for 30 years.
2. Rent for the first term is set at \$19,837.50 per year and will increase with each new lease term of every five years.
3. The terms will be renewed automatically unless AT&T gives the City sixty days notice.
4. All rent proceeds will be sent to the City of Mount Holly. The full 30 year term, the rentals to the City will be as follows:
 - Term 1: \$99,187
 - Term 2: \$114,065
 - Term 3: \$131,175
 - Term 4: \$150,851
 - Term 6: \$199,501

Ms. Shepherd stated that if this amendment is agreeable to Council, she will submit it to the Mayor and the City Manager for their signatures.

Motion: Councilman Toomey made a motion to approve the Cell Tower Lease Extension on the Stanley Water Tank as presented. Councilman Bishop seconded the motion and the motion passed unanimously.

3. Habitat for Humanity, presented by Mary Harris, Director of Habitat for Humanity, Gastonia
Mayor Whitt welcomed Mary Harris, Director of Habitat for Humanity in Gastonia. Ms. Harris stated that presently there are 74 Habitat houses in Gaston County and some of them are in Mount Holly. She added that most of the Habitat land is donated.

Ms. Harris stated that Habitat was approached by Freightliner who wished to construct Habitat homes on River Street in Mount Holly. However, there was a problem in that there was no water or sewer lines extending to the property. She regretted that this location did not work out but asked Council if they knew of another suitable location for Habitat homes in Mount Holly. She extended her thanks to Council and the Mayor for all their efforts on behalf of Habitat.

Mayor Whitt thanked Ms. Harris for coming to speak to Council this evening and expressed regret that the location on River Street was not suitable but hoped another possible location could be determined through the help of Council's knowledge of available properties in the area.

MANAGER'S REPORT

Mr. Davis briefly outlined activities as follows in his Manager's Report:

- On Saturday, April 19, 2008, at 11:30 am at the Tuck Center, one of Mount Holly's Police Officers will be commended by the family of a teenager whom the officer helped during a critical time.
- The Citizens Center is almost complete. On Wednesday, at 1:00 pm, there will be a walk through. A Certificate of Occupancy will be issued shortly for the building and the key issued to us.
- Received a low bid from a moving company for \$12,000.
- Staff will begin moving into the Citizens Center mid to late June with the Police Department moving in last.
- Participated in a conference call with Chuck Flink for final revisions on Linear Park.
- Staff is doing due diligence regarding the waste water treatment plant, keeping all options on table.
- Regarding the Pease and Associates' contract, staff is looking at another option and Pease and Associates is giving the City an amended price.

Councilman Toomey asked about the status of the water tank. Mr. Friday stated that the preliminary plans have been delivered to us. There will be a meeting at the site discussing shut off valve locations.

Councilman Moore stated that a couple of citizens have called him about the tree trimming that Asplundh is doing – they are butchering trees!

Councilman Bishop stated that there are 3 flag poles at the Citizens Center for the City, State, and American flags. The South Main and Highland streetlight needs to be straightened and he asked Mr. Davis to contact NCDOT about it. Councilman Bishop asked whether any monthly

status reports regarding City properties for sale have ever been received from Edna Chirico. Mr. Davis stated that the City has received one generic email from Ms. Chirico to date.

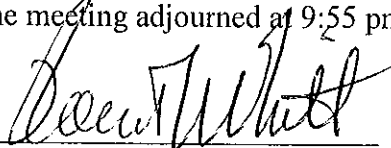
Councilman Toomey suggested that the Holiday garage pickup schedule should be published in the newsletter.

Councilwoman Breyare asked that Mount Holly "welcome" signs coming into Mt. Holly need to be cleaned, touched up, and maintained.

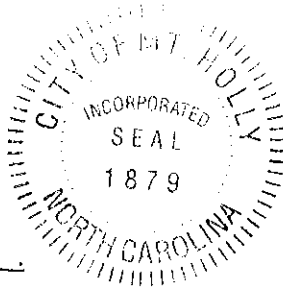
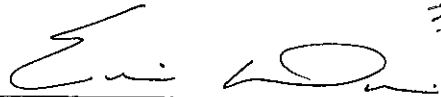
There being no other business to discuss, Mayor Whitt entertained a motion to adjourn the meeting.

Motion: Councilman McLean made a motion to adjourn the meeting with Councilman Moore seconding the motion. The motion passed unanimously.

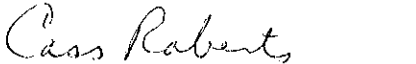
The meeting adjourned at 9:55 pm



Robert Whitt
Mayor

Eric Davis
City Manager



Cass Roberts
Secretary