

**MINUTE BOOK 25, PAGE 441  
CITY OF STATESVILLE PRE-AGENDA MEETING – July 13, 2015  
CITY HALL – 227 S. CENTER STREET, STATESVILLE, NC – 6:00 P.M.  
STATESVILLE, NORTH CAROLINA**

**Mayor Costi Kutteh presiding:**

**Council Present:** J. Johnson, Schlesinger, Morgan, Williams, M. Johnson, West, Watt, Phifer

**Council Absent:** 0

**Staff Present:** Pressley, Fugett, Ferguson, Smyth,, Barone, Byerly, Hudson, Triplett, Watts, Chipman, Onley, Cornelius, Styers, Nicholson, Cornelison, Harrell, Currier, Houpe

**Others:** Mike Smith-SRD, Marin Tomlin-DSDC

**Media Present:** Jim McNally-Statesville Record & Landmark, Dave Veiser-Charlotte Observer

**I Call to Order**

Mayor Kutteh called the meeting to order and advised an Executive Session would be held following the Pre-Agenda meeting to discuss two economic development matters, a and to preserve the attorney client privilege for both.

**II Consent Agenda – All items below are considered to be routine by City Council and will be enacted by one motion. There will be no separate discussion on these items unless a Council member so requests, in which event, the item will be removed from the Consent Agenda and considered with the other items listed in the Regular Agenda.**

**A. Consider approving the minutes of the June 11, 2015 Pre-Agenda meeting, and June 15, 2015 Council meeting.**

**B. Request permission to apply for the 2015 COPS Hiring Program grant, and to authorize Pamela Navey to represent the City in the application and management of the grant.**

Mayor Kutteh stated is a grant that the City has had in the past. Staff is applying to have three officers and the grant is a 75/25 match.

**C. Consider approving a resolution directing the City Clerk to investigate a petition of annexation for the property located at 1336 Northside Drive, receive the City Clerk's Certificate of Sufficiency, and consider approving a resolution fixing a date (8-3-15) for a public hearing on the questions of the petitioned annexation.**

Mayor Kutteh stated this is the next step in the annexation process.

**Regular Agenda**

**VI Update on the Vance Hotel.**

**VII Conduct a public hearing and consider approving an economic incentive to an existing Statesville based industry known as "Project Albacore".**

**VIII Conduct a public hearing and consider approving an economic incentive to an existing Statesville based industry known as "Project Cobia".**

**IX Conduct a public hearing and consider approving first reading of an ordinance for ZC15-07 filed by Barry Munday to rezone the property located at 201 Wooten Street; Tax Map 4724-96-4421.**

Mayor Kutteh stated the property was originally zoned Light Industrial but the owner requested to rezone the property to B-1, Neighborhood Service District for the intention of a coin operated laundry mat in 2000, as a laundry mat was not a permitted use in the LI District. Mr. Barry Munday is now requesting to rezone the parcel from B-1 back to LI with the intention to allow for an indoor auction house.

David Currier added that this property is totally surrounded by LI.

Council member Schlesinger asked why the property was not being zoned B-4 which would accommodate the indoor auction house use. He asked if it is a good idea for the property, which sits on the corner of Garner Bagnal Boulevard, to ever have an industrial use considering the City's road improvement plans for that area. Mr. Currier explained the property is already surrounded by light industrial businesses. Council member Schlesinger stated those businesses also need support such as restaurants for their employees.

Mayor Kutteh asked staff to consider this and add it to their report at the City Council meeting.

**X Consider approving a request to release two liens, write-off approximately \$700.00 in miscellaneous accounts receivable and allow staff to waive future liens when the title of the property changes before the lien is recorded.**

Mayor Kutteh explained that out of 135 liens for nuisance abatement thus far, two properties have changed hands since the initial mowing took place. Both of these properties changed hands before the nuisance liens were recorded. The new owners were not aware of these mowing fees until after they purchased the property. Staff recommends releasing these two liens, approve writing these off the miscellaneous accounts receivables and allow staff to release any future liens in which the title changes hands before the lien can be recorded on the property.

**XI Consider an appointment to the Statesville Airport Commission.**

Mayor Kutteh said the terms of Todd Bodell and Billy Shomaker expired on June 30, 2015. Mr. Bodell was appointed to fill the unexpired term of Kevin Sarro from April 24, 2014 through June 30, 2015. Mr. Bodell is extremely interested in being considered for re-appointment. Three applications have been received for the vacancies: Todd Bodell, Dr. Robert Saltzman, and Mike Colyer.

**XII Request permission to accept a grant via the NC Governor's Crime Commission to support the Statesville Police Department's Domestic Violence Initiative, and to authorize Community Resource Coordinator Pam Navey to manage the process on behalf of the City of Statesville, and approval of Budget Amendment #1.**

Mayor Kutteh said this is the first grant that Ms. Navey has secured since beginning this position and that Chief Tom Anderson had relayed to him that he was contacted directly by the NC Governor's Crime Commission to advise him that the application was extremely professionally well done and that the City was awarded more money than was anticipated. The grant will support two Domestic Violence Specialist Investigator positions, salary, fringe benefits, and related training with a 25% cash match required of the City. This is a two year grant with no obligation to retain the positions beyond the life of the grant.

**XIII Consider approving a request from Properties for Children for a water tap to serve 111 Moose Club Road.**

This item was removed from the agenda.

**XIV Consider a request from the Downtown Statesville Development Corporation (DSDC) Board of Directors for the City of Statesville to partner with DSDC and approve applying for a \$4,000 Electricities Smart Communities grant and to provide the required \$4,000 match to cover the speaker fee to bring in Destination Business Expert, Jon Schallert, for a one-day seminar in Statesville. With travel and additional expenses, staff is estimating the expenses to be approximately \$11,000. DSDC would cover these remaining expenses with attendance fees.**

Mayor Kutteh stated that Jon Schallert is an internationally-recognized speaker and business expert specializing in teaching businesses and communities how to turn themselves into Consumer Destinations. DSDC is formally asking that the City approve DSDC applying for the \$4,000 Electricities Smart Communities grant and fund the required \$4,000 match to cover the speaker fee for a one-day seminar in Statesville. Additional expenses would include marketing the seminar, Civic Center room rental, lunch for attendees, A/V equipment, speaker travel expenses and other miscellaneous items which DSDC plans to fund with ticket fees.

**XV Consider special appropriations for the 2016/2017 fiscal year.**

Mayor Kutteh stated there was some discussion at the June 11<sup>th</sup> budget meeting concerning the elimination or reduction of special appropriations in future years. To allow time for notification, staff is requesting direction from the Council on how to proceed now so that the funding recipients can be given advance notice.

**CRTPO update from Council member M. Johnson.**

Council member M. Johnson said there is a great deal of controversy about the I-77 managed lane issue. The people in that area do not want managed lanes, they want general purpose lanes built with tax dollars so there are no tolls. The NC Department of Transportation does not have the funds to build these major road projects throughout the state so they are all going to be toll lanes, built by public/private partnerships. The value on this project is about \$688 million. The I-77 mobility group feels they can build it for about \$200 million. This is going to be a very sophisticated system and will be used elsewhere in the United States. The toll fees will be based on the volume of traffic that is computer monitored going through the system. If too many cars get in the system and starts to slow down the advanced mobility lanes, then fees will go up to the point where traffic thins out. The contract with Centra Corporation was signed last year. The penalty right now is about \$100 million. If it is decided not to do the project at this time, the Carter Cap will curtail it. It will take legislative action to change the Carter Cap in the STI legislation for that project to even be permissible. Also, due to doing a different configuration, new studies for the environmental aspects will be required so essentially the project will start all over. Part of the contract during that period is that Centra Corporation will maintain this section of the interstate, so that is a plus to North Carolina, there is a \$12 million cap in terms of contributions per annum from the state back to Centra to bring them up to parity for loss, etc., sort of like an operational guarantee. During the 50 year term that Centra will have this contract, roads cannot be built that deprecates the pro-forma of this project such that they lose business because traffic is being diverted from the interstate. There must be a baseline number that they determine is the threshold in determining what that penalty would be or how traffic would be siphon off into another avenue rather than that project. It may very well be that the population growth is such that additional roads may not offend anything in their pro-forma that the state has agreed to. There is a huge gray area there that is a major sticking point with the groups that are adamantly against the project.

Council member M. Johnson reviewed Prioritization 4.0. He explained that the City is Region F, Division 12 and Mecklenburg-Union is Region E, Division 10. He said the state wants to scale back from 1,700 projects to 1,000. He explained that according to the criteria being used to scale back the number of projects, the only place Statesville can be competitive is on the interstate, and we still do not have the congestion numbers we need to qualify for the funding so it must get a lot worse before we can do anything about it.

Council member M. Johnson reviewed the projects in Region F recommended for removal. The one project that Statesville had on it, the widening of U.S. 64 to Carolina Avenue for \$28 million which had a NCDOT peak pre-score of 22.9 but under Prioritization 4.0 it scaled out. This is a regional project. In Division 12 projects recommended for removal Statesville lost the Jane Sowers Rd interchange, the east-west connector on Langtree, the Cornelius road to Perth widening which is part of the 21/150 corridor and the Murdoch Road realignment. Mooresville lost several projects. Council member M. Johnson briefly reviewed a discussion of new Tax Incentive Grants used by Mooresville for Langtree. Council member M. Johnson said these projects are very important and Council needs to develop economic capabilities to make them important at the regional/state level.

Council member M. Johnson stated there are two projects that stayed on the Transportation Improvement Plan (TIP). In working with Kimley-Horn, he and staff proposes four projects to add to the TIP.

**Council members unanimously agreed by consensus to put the following projects on the Transportation Improvement Plan:**

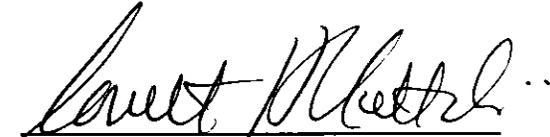
1. **Improve the intersection at 5-points**
2. **Relocate Bethlehem Road**
3. **East Side Drive/Signal Hill realignment**
4. **Broad Street Bridge**

**Council member Williams made a motion to move to Executive Session in accordance with N.C.G.S. 143-318.11(a)(4) to discuss two economic development matters and preserve the attorney client privilege, seconded by Council member Schlesinger. The motion carried unanimously.**

Upon return from Executive Session Mayor Kutteh stated that two economic development matters were discussed and the attorney client privilege preserved. No action was taken.

**Council member West made a motion to adjourn, seconded by Council member Schlesinger. The motion carried unanimously.**



  
Constantine H. Kutteh, Mayor

Attest:

  
Brenda Fugett, City Clerk