

A G E N D A
HICKORY CITY COUNCIL

February 15, 2022



7:00 p.m.



AGENDA
www.hickorync.gov

If you have any questions about any item on this agenda or if you need more information about any item in addition to the information contained in the agenda package, please call the City Manager at 323-7412. For more information about the City of Hickory go to: www.hickorync.gov.

Hickory City Council
76 North Center Street

February 15, 2022
7:00 p.m.

- I. Call to Order
- II. Invocation by Reverend Cliff Moone, Retired United Church of Christ Minister
- III. Pledge of Allegiance
- IV. Special Presentations
 - A. Proclamation for Family Support Awareness Month – Presented to Libby Throckmorton, Catawba County Partnership for Children; Cindy Boger, Lead Parent Educator with the Parents as Teachers Program; Tim Sims, Federal Programs Director with Hickory Public Schools (and Supervisor of the Parents as Teachers Program); Members of the Parents as Teachers team, Kristen Blackwell, Sarah Wilson, and Shelley Woody. **(Exhibit IV.A.)**
- V. Persons Requesting to Be Heard
- VI. Approval of Minutes
 - A. Regular Meeting of February 1, 2022. **(Exhibit VI.A.)**
- VII. Reaffirmation and Ratification of Second Readings. Votes recorded on first reading will be reaffirmed and ratified on second reading unless Council Members change their votes and so indicate on second reading.
 - A. Budget Revision Number 12. **(First Reading Vote: Unanimous)**
 - B. Budget Revision Number 13. **(First Reading Vote: Unanimous)**
 - C. Consideration of Proposed Amendments to Chapter 21, Sections 21-8, 21-9, and 21-11 of the Hickory Code of Ordinances. **(First Reading Vote: Unanimous)**
- VIII. Consent Agenda: All items below will be enacted by vote of City Council. There will be no separate discussion of these items unless a Council Member so requests. In which event, the item will be removed from the Consent Agenda and considered under Item IX.
 - A. Approval to Apply for the 2022 Urgent Repair Program (URP22) through the North Carolina Housing Finance Agency (NCHFA). **(Exhibit VIII.A.)**

Staff requests approval to apply for 2022 Urgent Repair Program (URP22) through the North Carolina Housing Finance Agency (NCHFA). The Urgent Repair Program provides funding in the form of a forgivable loan to low and extremely low-income homeowners with special needs at a maximum of \$12,000 per dwelling unit. The City has applied for these funds numerous times in recent years. During the 2020-2021 fiscal year ten homeowners received home repairs through the program. Staff plans to apply for \$75,000 of funding

through the program. This funding will assist at least eight eligible homeowners with repairs. The City of Hickory will provide \$5,000 in matching funds. This is available from program income that was received through the former Rental Rehabilitation Program. The Urgent Repair Program funds will be used to supplement the City's Community Development Block Grant Housing Rehabilitation Loan Program, which generally works on larger projects with families that have slightly higher income. Staff will prepare an application that incorporates program requirements, applicant eligibility standards, and program capabilities. Upon approval by City Council, the application will be submitted with the required \$75 application fee to the NCHFA. Staff recommends City Council's approval to apply for the 2022 Urgent Repair Program through the North Carolina Housing Finance Agency.

- B. Approval of a Community Appearance Grant for Non-Residential Property Owned by Century Leasing, LLC located at 401 11th Street NW in the Amount of \$7,500. **(Exhibit VIII.B.)**

The Community Appearance Commission recommends City Council approval of a Community Appearance Grant for non-residential property owned by Century Leasing, LLC located at 401 11th Street NW in the amount of \$7,500. City Council created the Community Appearance Grant program to provide economic incentives for property owners to improve the general appearance of properties located within the City's designated Urban Revitalization Area. The Community Appearance Commission reviews applications for the grant program and forwards a recommendation of approval or denial to City Council. The grants are designed as a reimbursement grant in which the City of Hickory will match the applicant on a 50/50 basis. The maximum grant amount from the City of Hickory is \$7,500. The grant proposal involves the painting of the building's exterior. The property is located within the City's defined Urban Revitalization Area, and as such is eligible for the consideration of a Community Appearance Grant. The applicant provided two estimates, the low estimate for the work totals \$19,466. The subject property's current tax value is assessed at \$1,727,800. The requested grant amounts to 0.43 percent of the property's tax value. The application was reviewed by the Community Appearance Commission and scored 30 points out of a possible 36 points, which placed the application into the high category of scoring. Given the score, The Commission unanimously recommends funding of the grant application in the amount of \$7,500.

- C. Call for a Public Hearing for Consideration of a Voluntary Non-Contiguous Annexation of 47.40 Acres of Property Located on Section House Road between 34th Street Place NE and Sipe Road, PIN 3723-08-89-6240. **(Authorize Public Hearing for March 1, 2022, at 7:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building.) (Exhibit VIII.C.)**

- D. Approval of a Three-Year Auditing Contract with Martin Starnes & Associates. **(Exhibit VIII.D.)**

Staff requests approval to accept a three-year contract for auditing services with Martin Starnes & Associates. Martin Starnes & Associates was established in 1987 and has continued to grow with offices in Hickory and Taylorsville. Their Hickory office offers a convenient location for City of Hickory staff to work with MSA accounting personnel. Martin Starnes & Associates sponsors a variety of North Carolina Government Finance Officer events throughout the state and has become a leader in their work with local governments. The City of Hickory has utilized the services of Martin Starnes & Associates for the past ten years with excellent results. Martin Starnes & Associates was also contracted to produce the City's Comprehensive Annual Financial Report. The North Carolina Local Government Commission (LGC) does not enforce formal bid requirements for auditing services due to the professional relationship formed between auditors and clients over an extended work history. The Secretary of the Local Government Commission approves all local government contracts for audit or audit-related work. Martin Starnes & Associates offers a competitive rate for their services and is widely known for their professional staff and service throughout the local government community. The proposed fees for the City

for fiscal years ending June 30, 2022 – 2024 are as follows: 2022 - \$64,200; 2023 - \$67,410; 2024 - \$70,780; plus, single audit fees of \$3,500 per major program in excess of three. Staff recommends approval to accept a three-year contract for auditing services with Martin Starnes & Associates.

E. Budget Revision Number 14. **(Exhibit VIII.E.)**

1. To appropriate \$494.11 from an insurance claim reimbursement towards Landscaping operations for Fleet repair work that was done on a trailer. The check was issued on 1/14/22.
2. To appropriate \$79.98 in Library revenues towards a refund for a Library patron.
3. To appropriate \$1255.87 from the General Fund towards the Police Department for BLET tuition reimbursement from former police officers.
4. To appropriate \$497,559 in Catawba County Revenue funds for reimbursement to the City for infrastructure related to the Fire Department's Training Facility. The City of Hickory and Catawba Valley Community College (CVCC) are partnering on this project to enhance CVCC's Public Safety Training Center.

IX. Items Removed from Consent Agenda

X. Informational Item

XI. New Business:

A. Public Hearings

1. Consideration of a Voluntary Non-Contiguous Annexation of 13.384 Acres of Property Located Between 47th Avenue Place NE and 48th Avenue Lane NE, PIN 3735-13-02-2954. - Presentation by Planning Director Brian Frazier. **(Exhibit XI.A.1.)**

Consideration of the voluntary non-contiguous annexation of 13.384 acres of property located on Sulphur Springs Road between 47th Avenue Place NE and 48th Avenue Lane NE, identified as PIN 3735-13-02-2954. D&J Properties North Carolina, LLC has petitioned for the voluntary non-contiguous annexation of 13.348 acres of property located on Sulphur Springs Road between 47th Avenue Place NE and 48th Avenue Lane NE. The subject property is currently located within Catawba County's jurisdiction and zoned R-20 Residential. The annexation is being requested to gain access to City services. The subject property is currently zoned R-20 Residential by Catawba County and is 13.384 acres in total size. The current county R-20 zoning district permits residential uses at a density of two dwelling units per acre. The subject property is currently vacant; however, the intention is to develop the property for the construction of forty-two single-family attached dwellings (townhomes). This amounts to approximately three dwelling units per acre. The current tax value of the property is \$93,700. If annexed with its present value, the property would generate additional tax revenues of \$587. The owners have indicated the selling price for the forty-two units would be between \$300,000 and \$325,000. Staff finds the petition to be in conformity with applicable statutes and recommends approval of the petition.

This public hearing was advertised in a newspaper having general circulation in the Hickory area on February 4, 2022.

2. Consideration of Rezoning Petition Number 21-07 for 13.384 Acres of Property Located on Sulphur Springs Road between 47th Avenue Place NE and 48th Avenue Lane NE from Catawba County R-20 to Planned Development (PD). – Presentation by Planning Director Brian Frazier. **(Exhibit XI.A.2.)**

D&J Properties NC, LLC has submitted a petition requesting the consideration of rezoning property located on Sulphur Springs Road between 47th Avenue Place NE and 48th Avenue Lane NE from Catawba County R-20 to Planned Development (PD). The 13.384-acre property is zoned R-20 Residential by Catawba County and is in the process of being annexed. The R-20 zoning district permits residential uses at a density of two dwelling units per acre. The property is vacant; however, the owners intend to construct forty-two single-family attached dwellings (townhomes). This amounts to approximately three dwelling units per acre. The Hickory Regional Planning Commission conducted a public hearing on December 1, 2021, to consider the petition. During the public hearing, the property owner and the project engineer gave an overview of the proposal. During the hearing one nearby residential spoke but was not in opposition of the petition. The neighboring residents spoke in opposition of the petition citing property values and drainage. Upon hearing from the petitioner and surrounding residents, the Planning Commission kept the public hearing open and continued consideration until January 26, 2022. On January 26, 2022, the Planning Commission resumed the public hearing. Upon closing the public hearing, the Hickory Regional Planning Commission acknowledged the petition's consistency with the Hickory by Choice 2030 Comprehensive Plan. Based upon these findings, the Hickory Regional Planning Commission voted unanimously (7-0) to recommend approval of the petition. Staff concurs with the recommendation of the Hickory Regional Planning Commission.

This public hearing was advertised in a newspaper having general circulation in the Hickory area on February 4 and February 11, 2022.

3. Consideration of Rezoning Petition Number 22-01 for 55.49 Acres of Property Located on Spencer Road between 30th Street Court NE and 31st Street Court NE from Hickory R-1 Catawba County R-20 to Hickory R-2 Residential. – Presentation by Planning Director Brian Frazier. **(Exhibit XI.A.3.)**

Margaret H. Glaze, Josephine Bonniwell Hambrick Revocable Trust & Robert T. Hambrick, III Trust have submitted a petition requesting the consideration of rezoning property located on Spencer Road between 30th Street Court NE and 31st Street Court NE from Hickory R-1 Catawba County R-20 to Hickory R-2 Residential. The 55.49-acre property is zoned R-1 Residential by Hickory and R-20 Residential by Catawba County and was recently annexed. Both zoning districts permit residential uses at a density of two dwelling units per acre. The subject property is currently vacant; however, the owners' intention is to develop the property for the construction of detached single-family residences. While preliminary development plans have not been provided, the theoretical maximum development yield under R-2 zoning could result in +/-200 residential homes. The Hickory Regional Planning Commission conducted a public hearing on January 26, 2022, to consider the petition. During the public hearing, the design engineer provided the Commission with a brief overview of the owners' future intentions. No other spoke in support of or in opposition of the petition. Upon closing the public hearing, the Hickory Regional Planning Commission acknowledged the petition's consistency with the Hickory by Choice 2030 Comprehensive Plan. Based upon its findings, the Hickory Regional Planning Commission voted unanimously (7-0) to recommend approval of the petition. Staff concurs with the recommendation of the Hickory Regional Planning Commission.

This public hearing was advertised in a newspaper having general circulation in the Hickory area on February 4 and February 11, 2022.

B. Departmental Reports

1. Crime Statistics Report – Presentation by Hickory Police Department Major Reed Baer

2. Appointments to Boards and Commissions

CITIZENS ADVISORY COMMITTEE

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Small Cities Project Area

VACANT

COMMUNITY APPEARANCE COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
At-Large (Outside City but within HRP) (Council Appoints)

VACANT

COMMUNITY RELATIONS COUNCIL

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Other Minority (Council Appoints)

VACANT

Other Minority (Council Appoints)

VACANT

Other Minority (Council Appoints)

VACANT

Differently Abled and is African American or Other Minority (Council Appoints)

VACANT

Differently Abled (Council Appoints)

Beth Whicker

(Not Eligible for Reappointment)

HISTORIC PRESERVATION COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

At-Large (2)(Council Appoints)

Mary Moorer

(Eligible for Reappointment/Does Not Wish to Serve Again)

LIBRARY ADVISORY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Ward 3 (Seaver Appoints)

VACANT

(Beth Schauble Resigned 11-10-2021)

PUBLIC ART COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

At-Large (Mayor Appoints) (Harold Humphrey Resigned 11-4-2021)

VACANT

RECYCLING ADVISORY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Ward 6 (Patton Appoints) (Lona Hedrick Resigned 1-11-2022)

VACANT

YOUTH COUNCIL

(Terms Expiring 6-30; 1-Year Terms) (Appointed by City Council)

Youth Council Applicant Review Committee Recommends the Following Appointments:

Fred T. Foard

VACANT

Homeschool

VACANT

C. Presentation of Petitions and Requests

XII. Matters Not on Agenda (requires majority vote of Council to consider)

XIII. General Comments by Members of Council, City Manager or City Attorney of a Non-Business Nature

XIV. Adjournment

***Hickory City Code Section 2-56. Public Address to Council:**

“When conducting public hearings, considering ordinances, and otherwise considering matters wherein the public has a right to be heard, when it appears that there are persons present desiring to be heard, the Mayor shall require those opposing and favoring the proposed action to identify themselves. Each side of the matter shall be given equal time. Those opposing the proposed action shall be allowed 15 minutes for presentation, followed by 15 minutes for those favoring the action, with the opponents then to have five minutes for rebuttal and the proponents to then have five minutes for surrebuttal. Those persons on either side shall have the right to divide their allotted time among them as they may choose. The Council, by majority vote, may extend the time for each side equally. On matters in which the person desiring to address the Council does not have a legal right to speak, the Council shall determine whether it will hear the person. The refusal to hear a person desiring to speak may be based upon grounds that the subject matter is confidential, that its public discussion would be illegal, that it is a matter not within the jurisdiction of the Council or for any other cause deemed sufficient by the Council. Any person allowed to speak who shall depart from the subject under discussion or who shall make personal, impertinent, or slanderous remarks, or who shall become boisterous while addressing the Council shall be declared out of order by the Mayor, or by vote of the Council, and barred from speaking further before the Council unless permission to continue shall be granted by a majority vote of the Council, under such restrictions as the Council may provide.”

**The City of Hickory holds all public meetings in accessible rooms.
Special requests for accommodation should be submitted by individuals
with disabilities at least 48 hours before the scheduled meeting.
Phone Services (hearing impaired) – Call 711 or 1-800-735-2962**



Exhibit IV.A.
City of Hickory
PO Box 398
Hickory, NC 28603
Phone: (828)323-7412
Fax: (828)323-7550
Email: hguess@hickorync.gov

Office of the Mayor

PROCLAMATION Family Support Awareness Month 2022

- WHEREAS** the early years are the most active period for establishing the neural connections that make up brain architecture, when more than one million new neural connections form every second; and
- WHEREAS** many parents and caregivers begin the difficult lifetime job of raising a child feeling unprepared for the challenges ahead; and
- WHEREAS** a stable, secure relationship with a nurturing, caring adult is a key factor in young children's development, and children have a better, healthier start when parents and caregivers have the support and skills needed to raise them; and
- WHEREAS** family support can include a variety of different programs and models, including early childhood home visiting programs such as Parents as Teachers and parenting education programs such as Triple P, that work to help parents and caregivers meet the unique needs of their children; and
- WHEREAS** resources and programs that support parents and caregivers promote healthy development and strengthen family relationships, reducing the risk of abuse and neglect; and
- WHEREAS** family support programs promote equity by providing resources to families who are furthest from opportunity; and
- WHEREAS** the COVID-19 pandemic continues to put an increased burden on parents and families, with worries about health, job loss, childcare, education, economic security, and social isolation contributing to stress and anxiety in the home; and
- WHEREAS** well-trained professionals implement early childhood home visiting and parenting education so that all families have the opportunity to access information in ways that respect their unique beliefs, traditions, and customs; and
- WHEREAS** the State of North Carolina urges individuals and organizations across our state to utilize family support resources as needed to support the health and well-being of our children and families.

NOW, THEREFORE, I, Hank Guess, Mayor of the City of Hickory, North Carolina, on behalf of Hickory City Council do hereby proclaim February 2022 as

“Family Support Awareness Month”

in the City of Hickory and commend its observance to all citizens.

This 15th day of February 2022.

Hank Guess, Mayor

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, February 1, 2022, at 7:00 p.m., with the following members present:

Tony Wood	Hank Guess	David L. Williams
Charlotte C. Williams	Aldermen	David P. Zagaroli
Danny Seaver		Jill Patton

A quorum was present.

Also present were City Manager Warren Wood, Deputy City Manager Rodney Miller, Assistant City Manager Rick Beasley, Deputy City Attorney Arnita Dula, Deputy City Clerk Crystal B. Mundy and City Clerk Debbie D. Miller

- I. Mayor Guess called the meeting to order. All Council members were present with the arrival of Alderman Williams at 7:04 p.m.
- II. Invocation by Christy Lohr-Sapp, St. Andrews Lutheran Church
- III. Pledge of Allegiance
- IV. Special Presentations
 - A. Presentation of an Award Certificate from the Western Piedmont Council of Governments related to the Project "A Study of Equity, Economic, and Demographic Data for the City of Hickory" and an Update on Ridgeview Works – Presented by Western Piedmont Council of Governments Executive Director Anthony Starr.

Mayor Guess asked Western Piedmont Council of Governments Executive Director Anthony Starr to the podium. He commented it was a pleasure to have him present and they appreciated him and all that he does at the Western Piedmont Council of Governments, for not only the City of Hickory, but for all of the surrounding municipalities

Western Piedmont Council of Governments Executive Director Anthony Starr advised the City was a fantastic partner with the Council of Governments (COG). For those that were not familiar with them, they were an organization owned by the 28 local governments in the Hickory Metro and they serve as a mechanism to share resources and expertise. Back in 2020, the City asked the Council of Governments to assist it with a study to look at the equity, economic, and demographic data to better understand racial inequalities in the City. They looked at demographics, income, poverty data, educational attainment, healthcare, employment data, housing, educational achievement, and minority owned businesses among other factors. It was a successful project that the City had used to facilitate a lot of conversations that needed to occur. They submitted this project for consideration by the National Association of Development Organizations, which was the umbrella association for COGs across the Country. They had given an award to the Council of Governments and the City of Hickory for the partnership in this endeavor. He shared the presentation and award with Council and thanked the City of Hickory for its partnership in this project. He asked Mayor Guess to the podium and presented him with the award.

Mayor Guess gave the award to City Manager Warren Wood and asked for it to be displayed in City Hall.

Mr. Starr continued his presentation. He presented a PowerPoint presentation. He discussed an endeavor that was born out of that study and the conversations that occurred regarding career services at the Ridgeview Library. Back in February of 2021, the City of Hickory and the Workforce Development Board staff at the Council of Governments worked together to form a committee to look at what was needed in terms of career services for the Ridgeview community. There were several opportunities that were identified including afternoon and evening hours for services, focused broadcasting and advertising of job openings and career pathways, scholarships that the NC Work system provides, youth paid internships and training, also workshops helping people with getting jobs, getting their resume, expungements occurring when that was needed if that was a barrier to employment, as well as personal budgeting and financial advice as well. And then job fairs. They were able to launch, in partnership with the City, at the Ridgeview Library, Ridgeview Works, which began January 5th. They were there every Wednesday, on a trial basis, holding office hours there from 1 to 5 p.m. They also have an event and job fair with a number of employers that would be there on February 8th from 2 to 5 p.m., so they were doing the outreach now. There was a good article in the paper about that just to connect people with opportunities for improving their lives and gaining better employment or their first job or the next job that they need in their lives. The Ridgeview Library with its expanded facility was a perfect facility to house these services. They were glad to partner with the City of Hickory on that. That was where they were standing with that project and they would hopefully have good news in the coming months on the utilization, but they were very early in the process of launching that information, getting outreach, and that was what they were focusing on right now with the community. He asked for any questions.

Mayor Guess asked for any questions from staff or Council.

February 1, 2022

Alderwoman Patton thanked Mr. Starr for the good work that they had done and then taking the results of the study and finding a solution that would work. It would be nice to hear, in several months, what comes out of it.

Mr. Starr thanked Council for their leadership on this and especially to the City's staff, as always, the leadership there and the rest of the staff were great to work with and great collaborators. He commented Council had a fine team there. He thanked Council.

Mayor Guess commented they could say the same thing about the Western Piedmont Council of Governments and the staff there. They had been tremendous partners, and it was a great relationship. They serve not only the City of Hickory, but other municipalities and this task that they gave to them would certainly have benefits for a long time to come. They greatly appreciated all the hard work that he and his staff had done and continued to do.

Councilmembers thanked Mr. Starr.

- B. Presentation of a Proclamation for SkillsUSA Week to Dr. Garrett Hinshaw, CVCC President; Tammy Muller, CVCC Executive Director of Strategic Business Partnerships & Skills USA and Gary Muller, CVCC Executive Dean of Economic Development and Continuing Education.

Mayor Guess asked Tammy Muller and Gary Muller from CVCC to the podium. Mayor Guess commented CVCC was heavily involved with SkillsUSA. The Proclamation actually told them a lot about SkillsUSA. He thought that it was interesting to say that CVCC's Chapter won 20 first place gold medals at the 2021 State competitions, which was more medals than any other school won. They also won six silver which was second place and four bronze which was third place. They also won their fifth Chapter of Excellence Award in a row, which was more than any other Chapter in the Country had done as well. It was only appropriate, he thought, that this Proclamation designating SkillsUSA, as this week, go to the folks and the staff at CVCC. He read and presented the Proclamation to the staff from CVCC. Photos were taken. He asked them if they would like to make any comments. He expressed Council's appreciation for what they were doing not only for City of Hickory's community but for the surrounding communities in the surrounding counties. He thanked them for all they do.

Mr. Gary Muller thanked Council for this honor, and the support. They appreciated it. This was great reinforcement for their students, and Faculty Advisors for all the work they are doing, and they were proud to have the best Chapter in the Country for the last five years out of 19,000 Chapters.

Ms. Tammy Muller commented it was a true demonstration of the work that was being done at CVCC to prepare tomorrow's workforce. They were truly proud. She thanked Council.

Mr. Gary Muller was glad to be present for Dr. Hinshaw, unfortunately he could not be present.

Mayor Guess understood. He asked them to let Dr. Hinshaw and all the other staff and students know how much they appreciated all that was being done at CVCC, that was just another tremendous partnership and relationship that the community has with other educational institutions.

- C. Presentation of the Distinguished Budget Award for the Fiscal Year Beginning July 1, 2021. This is the twenty-seventh consecutive year the City has received this recognition – Presented to Budget Analyst Johnathan Rosales.

Mayor Guess asked Budget Analyst Johnathan Rosales to the podium. Mayor Guess advised the Finance Department, all of the City's departments, do very, very good work, hard work and they appreciated all of the City departments, but tonight he had a Distinguished Budget Award for the year beginning July 1, 2021. They could not do that without the help of the Budget department. The guidelines that were established by the Government Finance Officers Association, state that they have to prepare budget documents of the very highest quality with special recognition for transparency. He was very honored that the City of Hickory had received this award once again. He read and presented Mr. Rosales with the Distinguished Budget Award for the fiscal year beginning July 1, 2021.

RESOLUTION NO. 22-04

RESOLUTION OF THE HICKORY CITY COUNCIL
HONORING THE HICKORY BUDGET OFFICE STAFF
UPON RECEIPT OF THE
DISTINGUISHED BUDGET PRESENTATION AWARD

February 1, 2022

FOR THE FISCAL YEAR BEGINNING JULY 1, 2021

WHEREAS, the Government Finance Officers Association of the United States and Canada has bestowed upon the City of Hickory's Budget Office the Distinguished Budget Presentation Award for the twenty-seventh consecutive year; and

WHEREAS, this award is the highest form of recognition in governmental budgeting, representing a significant achievement by the City of Hickory, and reflecting the commitment of the City Council and Staff to meeting the highest principles of governmental budgeting; and

WHEREAS, in order to receive this budget award, the City of Hickory Budget Office satisfied nationally recognized guidelines for effective budget presentation that are designed to assess how well a City's budget serves as a policy document, a financial plan, an operations guide, and a communications device.

NOW, THEREFORE, BE IT RESOLVED THAT the Hickory City Council hereby recognizes and honors the Budget Office Staff upon receipt of the DISTINGUISHED BUDGET PRESENTATION AWARD and its continuing efforts to improve the quality of budgeting and provide an excellent example for other governments throughout North America.

Mayor Guess added to that there were 90,000 local governments in the US and 1,700 out of those 90,000 have received this award. It was quite a distinguished award. He presented the award to Mr. Rosales and thanked him and the entire staff that helps to put this together each year including Deputy City Manager Rodney Miller. Photos were taken. He asked Mr. Rosales if he wished to comment.

Mr. Johnathan Rosales thanked Mayor Guess, City Council, and the City Manager's Office for all of their contributions in putting the budget together. He looked forward to going through this process the next fiscal year.

Mayor Guess and Councilmembers thanked Mr. Rosales.

V. Persons Requesting to Be Heard

Mayor Guess asked if anyone would like to address Council. No one appeared. He reminded everyone that they did not have to wait until a City Council meeting to address Council. They provide this opportunity at every Council meeting, but they certainly did not have to wait until a Council meeting to be able to do that. All Councilmembers were available. Their contacts were on the website and other places. He thought that each and every one of the Councilmembers was accessible, and any time they would like to speak to any of them about any matter, they would certainly make themselves available.

VI. Approval of Minutes

A. Regular Meeting of January 4, 2022.

Alderwoman Patton moved, seconded by Alderman Zagaroli that the Minutes of January 4, 2022, be approved. The motion carried unanimously.

VII. Reaffirmation and Ratification of Second Readings. Votes recorded on first reading will be reaffirmed and ratified on second reading unless Council Members change their votes and so indicate on second reading.

Alderwoman Patton moved, seconded by Alderwoman Williams that the following be reaffirmed and ratified on second reading. The motion carried unanimously.

A. Budget Revision Number 11. (First Reading Vote: Unanimous)

B. Consideration of Rezoning Petition Number 21-08 for Property Located at 3320, 3326, 3330, and 3342 9th Avenue Drive NW, from R-1 Residential to Neighborhood Center Commercial (NC). (First Reading Vote: Ayes: Alderman Wood, Alderman Seaver, Mayor Guess, and Alderman Williams; Nays: Alderwoman Williams, Alderman Zagaroli, and Alderwoman Patton)

VIII. Consent Agenda: All items below will be enacted by vote of City Council. There will be no separate discussion of these items unless a Council Member so requests. In which event, the item will be removed from the Consent Agenda and considered under Item IX.

Alderwoman Patton moved, seconded by Alderman Seaver approval of the Consent Agenda. The motion carried unanimously.

February 1, 2022

- A. Approved the Appointment of Joshua Worsham to the Hickory Fire Department’s Board of Trustees for the Local Relief and Supplemental Retirement Board.

Staff request approval of the appointment of Joshua Stephen Worsham to the Hickory Fire Department Local Relief and Supplemental Retirement Board of Trustees. The Fire Department Board of Trustees Local Relief and Supplemental Retirement Board consists of five board members. The five members consist of one appointed by the North Carolina Insurance Commissioner, two appointed by Mayor and Council, and two elected by the fire department membership. The purpose of the board is to administer the disbursement of funds received from the North Carolina State Firefighter’s Association for local firefighter relief and supplemental retirement programs. As of January 11, 2022, Captain Jeffrey D. Boggs submitted a letter to the Board of Trustees Chairman Matt Hutchinson giving notice of leave from the appointed position by March 31, 2022. This is to ensure that a sufficient amount of notification is given to appoint a new board member. A recommendation for appointment has been submitted identifying Senior Firefighter Joshua Worsham to be considered for this position. Staff recommends Council’s approval of the appointment of Joshua Worsham to the Hickory Fire Department’s Board of Trustees for the Local Relief and Supplemental Retirement Board.

- B. Called for a Public Hearing for Consideration of a Voluntary Non-Contiguous Annexation of 13.384 Acres of Property Located Between 47th Avenue Place NE and 48th Avenue Lane NE, PIN 3735-13-02-2954. (Authorized Public Hearing for February 15, 2022, at 7:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building.)

RESOLUTION NO. 22-05
RESOLUTION DIRECTING THE CLERK TO INVESTIGATE A PETITION RECEIVED
UNDER G.S. 160A-31 AND/OR 160A-58.1, AS AMENDED

WHEREAS, a petition from D&J Properties North Carolina LLC requesting annexation of an area described in a petition was received on November 4, 2021, by the City Council of the City of Hickory; and

WHEREAS, G.S. 160A-31 and G.S. 160A-58.1 provide that the sufficiency of the petition shall be investigated by the Clerk before further annexation proceedings may take place; and

WHEREAS, the City Council of the City of Hickory deems it advisable to proceed in response to this request for annexation.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HICKORY:

THAT, the Clerk is hereby directed to investigate the sufficiency of the above-described petition and to certify as soon as possible to the City Council the result of her investigation.

CERTIFICATE OF SUFFICIENCY

TO THE CITY COUNCIL OF THE CITY OF HICKORY, NORTH CAROLINA:

I, Debbie D. Miller, City Clerk, do hereby certify that I have investigated the petition attached hereto and have found as a fact that said petition is signed by all owners of real property lying in the area described therein, in accordance with G.S. 160A-31 and/or G.S. 160A-58.1, as amended:

Located between 47th Avenue Place NE and 48th Avenue Lane NE, Containing approximately 13.384 Acres, more or less, PIN 3735-13-02-2954

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hickory this 4th day of November 2021.

/s/ Debbie D. Miller, City Clerk

RESOLUTION 22-06

RESOLUTION FIXING DATE OF PUBLIC HEARING ON QUESTION OF ANNEXATION, PURSUANT TO G.S. 160A-31 OR G.S. 160A-58.1, AS AMENDED

WHEREAS, a petition requesting annexation of the area described herein has been received; and

WHEREAS, the City Council of the City of Hickory has, by Resolution, directed the clerk to investigate the sufficiency thereof; and

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WHEREAS, certification by the Clerk as to the sufficiency of said petition has been made.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HICKORY:

Section 1: That a public hearing on the question of annexation of the area described herein will be held at 7:00 p.m. on February 1, 2022, in the Council Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.

Section 2: The area proposed for annexation is described as follows:

Located between 47th Avenue Place NE and 48th Avenue Lane NE, Containing approximately 13.384 Acres, more or less, PIN 3735-13-02-2954

Section 3: Notice of said public hearing shall be published in The Hickory Daily Record, a newspaper having general circulation in the City of Hickory, at least ten (10) days prior to the date of said public hearing.

RESOLUTION NO. 22-07

A RESOLUTION DETERMINING THE INTENT TO ANNEX INTO THE CORPORATE LIMITS OF THE CITY OF HICKORY CERTAIN PROPERTY OWNED BY D&J PROPERTIES NORTH CAROLINA LLC AND CALLING FOR A PUBLIC HEARING ON THE SAME

WHEREAS, D&J Properties North Carolina LLC is the owner of certain real property as described herein, which property is located between 47th Avenue Place NE and 48th Avenue Lane NE, containing approximately 13.384 acres, more or less, PIN 3735-13-02-2954; and

WHEREAS, such property is currently located in the City’s extra-territorial jurisdictional (ETJ); and

WHEREAS, it is in the best interest of the health, safety, and well-being of the residents of the City of Hickory to annex such property into the corporate limits of the City of Hickory as authorized by N.C.G.S. Section 160A-31; and

NOW, THEREFORE BE IT RESOLVED by the Hickory City Council, sitting in open session this 1st day of February 2022, at a regularly scheduled meeting of the governing body of said Council, duly called and posted in accordance with the statutes of the State of North Carolina, as follows:

Section 1: That the Hickory City Council does determine that it is in the best interest of the health, safety, and well-being of the residents of the City of Hickory to annex the property described hereinafter into the corporate limits of the City of Hickory.

Section 2: That a public hearing on the question of annexation of the area described herein will be held at 7:00 p.m. on February 15, 2022, in the Council Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.

Section 3: The same being that property reflected on maps entitled D&J Properties North Carolina, LLC, Voluntary Non-Contiguous Annexation, Map 1, Current City Boundary, subject property outlined in red; D&J Properties North Carolina, LLC, Voluntary Non-Contiguous Annexation, Map 2, Current Zoning, subject property outlined in red; D&J Properties North Carolina, LLC, Voluntary Non-Contiguous Annexation, Map 3, Aerial Photography, subject property outlined in red.

Section 4: Notice of said public hearing shall be published in The Hickory Daily Record, a newspaper having general circulation in the City of Hickory, at least ten (10) days prior to the date of said public hearing.

C. Approved Awarding Retiring MPO Stephanie Roberts with her Service Weapon upon her Retirement on April 1, 2022.

Hickory Police Department requests City Council award retiring MPO Stephanie Roberts her service weapon (Glock Model 17 - Serial # UHF169) and badge upon her retirement April 1, 2022. MPO Stephanie Roberts will retire from the City of Hickory Police Department April 1, 2022, after completing approximately 25 years of qualifying service to the citizens of Hickory. By authority of North Carolina General Statutes, City Council may

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award the service weapon and police badge to MPO Stephanie Roberts upon her retirement from Hickory Police Department. Upon approval from City Council, the police badge and service weapon will be declared surplus and removed from the City's fixed asset inventory. Staff recommends approval of awarding the service weapon and police badge to MPO Stephanie Roberts upon her retirement from Hickory Police Department.

- D. Approved the Vacant Building Revitalization Performance Agreement Amendment One for Riding the Rails, LLC.

Staff requests Council's approval of the Vacant Building Revitalization Performance Agreement Amendment One for Riding the Rails, LLC. Riding the Rails, LLC was approved on May 5, 2020 for funding in the amount of \$20,000 to assist in the renovation of the vacant building at 703 Main Avenue SW. The applicant is renovating the 11,342 square foot building for use as an office for use by Atriax Group, an architecture and engineering firm. The applicant plans to invest at least \$1.2 million dollars in real property improvements to rehabilitate the building and to install a sprinkler system. This makes the project eligible for a \$20,000 forgivable loan. Due to delays resulting from the COVID-19 pandemic and extensive project workload, Riding the Rails, LLC has requested a 180-day extension to complete the improvements and occupy the building. The Business Development Committee reviewed the extension request and recommended approval. The revised deadline for completion of the improvements and occupancy of the building will be November 1, 2022. Staff recommends Council's approval of the Vacant Building Performance Agreement Amendment One with Riding the Rails, LLC.

- E. Approved a Cemetery Deed Transfer from Mary Kathryn Frye Hemphill, by Kathryn G. Hemphill, Attorney in Fact, to Kathryn G. Hemphill, married, Oakwood Cemetery, Gravesites Numbers 001, 004, 005, 007 and 008, of Plot G, Lot Number 3, Section 45. (Prepared by Kathryn G. Hemphill, Esquire, Hemphill Law Firm, PLLC)
- F. Approved a Cemetery Deed Transfer from Steven E. Bowman and wife, Vicki V. Bowman to James S. Teague, Oakwood Cemetery, Section 58, Plot F3, Lots 5 and 6. (Prepared by Kevin C. McIntosh, Esquire)
- G. Approved a Cemetery Deed Transfer from James Fred Galloway and wife, Donna Young Galloway, Nancy Ruthann G. Brawley (aka Ruthann G. Brawley) unmarried, to Elizabeth June Clain, unmarried, Oakwood Cemetery, Section 58, Plot K9, Lot Number 2. (Prepared by Casey W. Pope, Patrick, Harper & Dixon, L.L.P.)
- H. Approved on First Reading Budget Revision Number 12.

ORDINANCE NO. 22-03
BUDGET REVISION NUMBER 12

BE IT ORDAINED by the Governing Board of the City of Hickory that, pursuant to N.C. General Statutes 159.15 and 159.13.2, the following revision be made to the annual budget ordinance for the fiscal year ending June 30, 2022, and for the duration of the Project Ordinance noted herein.

SECTION 1. To amend the General Fund within the FY 2021-22 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Uses	54,602	433,136
TOTAL	54,602	433,136

To provide funding for the above, the General Fund revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	54,602	-
Sales and Services	-	433,136
TOTAL	54,602	433,136

SECTION 2. To amend the Capital Reserve Fund within the FY 2021-22 Budget Ordinance the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Transportation	54,602	-
TOTAL	54,602	-

To provide funding for the above, the Capital Reserve Fund revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	54,602	-
TOTAL	54,602	-

SECTION 3. To amend the General Capital Projects Fund within the FY 2021-22 Budget Ordinance the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
-	-	-
TOTAL	-	-

To provide funding for the above, the General Capital Projects Fund revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	-	989,500
Miscellaneous Revenues	989,500	-
TOTAL	989,500	989,500

SECTION 4. To amend the Water/Sewer Fund within the FY 2021-22 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Uses	1,862,500	-
TOTAL	1,862,500	-

To provide funding for the above, the Water/Sewer Fund revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	1,862,500	-
TOTAL	1,862,500	-

SECTION 5. To amend the Hickory Metro Convention Center (#700012) Capital Project Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	433,136	433,136
TOTAL	433,136	433,136

To provide funding for the above, the Hickory Metro Convention Center (#700012) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	-	433,136
Miscellaneous Revenue	433,136	-
TOTAL	433,136	433,136

SECTION 6. To amend the City Walk (#B1C001) Capital Project Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	805,985	551,057
TOTAL	805,985	551,057

To provide funding for the above, City Walk (#B1C001) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	558,500	-
Restricted Intergovernmental	-	551,057
Investment Earnings	-	332,150
TOTAL	558,500	883,207

SECTION 7. To amend the Riverwalk NCDOT EB-5939 (#B1R002) Capital Project Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	2,005,398	-
TOTAL	2,005,398	-

To provide funding for the above, the Riverwalk NCDOT EB-5939 (#B1R002) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Investment Earnings	775,000	-
Other Financing Sources	1,230,398	-
TOTAL	2,005,398	-

SECTION 8. To amend the Book Walk (#B1L001) Capital Project Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	12,000	329,054
TOTAL	12,000	329,054

To provide funding for the above, the Book Walk (#B1L001) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	12,000	-
Restricted Intergovernmental	-	329,054
TOTAL	12,000	329,054

SECTION 9. To amend the Book Walk South (#B1L002) Capital Project Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	34,000	-
TOTAL	34,000	-

To provide funding for the above, the Book Walk South (#B1L002) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	34,000	-
TOTAL	34,000	-

SECTION 10. To amend the Old Lenoir Road (#B1O001) Capital Project Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	3,700,528	69,463
TOTAL	3,700,528	69,463

To provide funding for the above, the Old Lenoir Road (#B1O001) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	3,422,631	-
Investment Earnings	208,434	-
TOTAL	3,631,065	-

SECTION 11. To establish the 9th Street Streetscape EB-5977 (#B1O002) Capital Project, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	1,715,000	-
TOTAL	1,715,000	-

To provide funding for the above, the 9th Street Streetscape EB-5977 (#B1O002) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Restricted Intergovernmental	1,600,000	-
Other Financing Sources	115,000	-
TOTAL	1,715,000	-

SECTION 12. To establish the Aviation Walk (#B1N001) Capital Project, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	1,577,000	1,230,398

TOTAL	1,577,000	1,230,398
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To provide funding for the above, the Aviation Walk (#B1N001) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	1,577,000	1,230,398
TOTAL	1,577,000	1,230,398

SECTION 13. Copies of the budget revision shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

- I. Approved on First Reading Budget Revision Number 13.

ORDINANCE NO. 22-04
BUDGET REVISION NUMBER 13

BE IT ORDAINED by the Governing Board of the City of Hickory that, pursuant to N.C. General Statutes 159.15 and 159.13.2, the following revision be made to the annual budget ordinance for the fiscal year ending June 30, 2022, and for the duration of the Project Ordinance noted herein.

SECTION 1. To amend the General Fund within the FY 2021-22 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Public Safety	34,980	-
Culture & Recreation	110	2,186
Transportation	47,155	-
Other Financing Uses	2,186	-
TOTAL	84,431	2,186

To provide funding for the above, the General Fund revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous Revenue	82,245	-
TOTAL	82,245	-

SECTION 2. To amend the Water/Sewer Fund within the FY 2021-22 Budget Ordinance the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Uses	26,335	-
TOTAL	26,335	-

To provide funding for the above, the Water/Sewer Fund revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous Revenue	26,335	-
TOTAL	26,335	-

SECTION 3. To amend the Fleet Fund within the FY 2021-22 Budget Ordinance the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Government	26,335	-
TOTAL	26,335	-

To provide funding for the above, the Fleet Fund revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	26,335	-
TOTAL	26,335	-

SECTION 4. To amend the Transportation Fund within the FY 2021-22 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Transportation	3,580	-
TOTAL	3,580	-

To provide funding for the above, the Transportation Fund revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous Revenue	3,580	-
TOTAL	3,580	-

SECTION 5. To amend the Urgent Repair Program Fund within the FY 2021-22 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Economic & Community Development	80,000	-
TOTAL	80,000	-

To provide funding for the above, the Urgent Repair Program Fund revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Restricted Intergovernmental	80,000	-
TOTAL	80,000	-

SECTION 6. To amend the Ridgeview Library Expansion (#630001) Capital Project Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	2,186	-
TOTAL	2,186	-

To provide funding for the above, Ridgeview Library Expansion (#630001) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	2,186	-
TOTAL	2,186	-

SECTION 7. Copies of the budget revision shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

IX. Items Removed from Consent Agenda – None

X. Informational Item

XI. New Business:

A. Public Hearings

1. Approved on First Reading Proposed Amendments to Chapter 21, Consideration of Proposed Amendments to Chapter 21, Sections 21-8, 21-9 and Section 21.11 of the Hickory City Code of Ordinance – Presentation by Deputy City Attorney Arnita Dula.

Staff requests Council's consideration of amendments to Chapter 21 Miscellaneous Offenses, Section 21-8.- Reserved, Section 21-9. - Imitating police whistle, fire siren, etc., and Section 21-11. – Malt beverages, wine – Hours of sale of beer or wine. of the Hickory Code of Ordinances. On September 10, 2021, Governor Cooper signed into law House Bill 890 ABC Omnibus Legislation (S.L. 2021-150). A provision in the bill amended G.S. 18B-904 by adding subsection (h) which allows permittees holding ABC permits for on-premises consumption of alcohol to extend their premises for the outdoor possession and consumption of alcohol. In order for permittees to extend their premises now, a City must adopt an ordinance authorizing the extension. Permittees must also meet several other requirements set forth in the subsection. There are three proposed amendments to Chapter 21. The first amendment is the addition of a substantive ordinance which will meet the statutory requirements to authorize permittees with on-premises ABC permits to extend their premises for the outdoor possession and consumption of alcohol. The new ordinance will be numbered as Section 21-9. – Extension of license premises. The second proposed amendment involves formatting changes. Current Section 21-9. – Imitating police whistle, fire siren, etc. will be renumbered as Section 21-8. New Section 21-9 will be the substantive ordinance referenced in the preceding paragraph. The formatting changes will place the three sections related to alcohol together and will be outlined as follows: Section 21-8. – Imitating police

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whistle, fire siren, etc.; Sec. 21-9. – Extension of license premises.; Section 21-10. - Alcoholic beverages – consumption on City property; social districts.; and Section 21-11. – Malt beverages, wine, Hours of sale of beer or wine. The third amendment is to revise Section 21-11's heading – Malt beverages, wine, Hours of sale of wine, so it is consistent with Section 21-10's recently amended heading – Alcoholic beverages – Consumption on City property. Staff recommends Council's consideration and adoption of the amendments to Chapter 21 Miscellaneous Offenses, Sections 21-8, 21-9 and 21-11 of the Code.

This public hearing was advertised in a newspaper having general circulation in the Hickory area on January 21, 2022.

City Manager Warren Wood mentioned that Deputy City Attorney Arnita Dula was sitting in for City Attorney John Crone as he was a little under the weather. He asked Deputy City Attorney Arnita Dula to the podium to discuss amendments to Chapter 21 Miscellaneous Offenses, Section 21-8 and 21-9, and Section 21-11 of the Hickory City Code of Ordinances.

Deputy City Attorney Arnita Dula presented a PowerPoint. She discussed amendments to Chapter 21. This Chapter dealt with miscellaneous offenses. It was also the Chapter that contained provisions related to the use of alcohol or consumption of alcohol on City property. The particular Sections in question, were Sections 21-8, 21-9 and 21-11. A Mega Bill, House Bill 890, Session Law 2021-150 amended the statutes related to licensing of extended premise licensing by adding Subsection "H". This particular Section required cities to adopt an ordinance granting permission to alcohol permit holders to extend their licensed premises for outdoor possession and consumption. They may say, they already have that going on. That was true. She advised if they would recall during Covid, there was temporary legislation that was put in place to allow businesses to extend their premises. This made it permanent, but it applied to all establishments who want to extend their premises and serve outdoors. Without it, even businesses that currently hold permits to do this, when they go to renew, they have to show that there was an ordinance in place. That was why she was presenting this to Council tonight. Also, it lists several requirements that the permittee(s) had to meet to extend their premises. Most of these requirements were in the existing statute. The addition was primarily the requirement adopting the ordinance.

Deputy City Attorney Arnita Dula discussed additional background. She reminded Council they recently amended section 21-10, the heading, it used to be Malt Beverages and Wine Consumption on City property, but they changed that heading to alcoholic beverages. The proposed heading of the current Section 21-11 still had that old heading the Malt Beverages and Wine. To make the headings consistent. The final proposed amendment was basically reformatting the sections, so all of the ones that were related to alcohol possession consumption etcetera were grouped together.

Deputy City Attorney Arnita Dula advised the first amendment dealt with adding the substantive code provisions about the extension of the licensed premises. Then amending Section 21-11's heading to make it consistent with Section 21-10's, recently amended heading, and then adding the proposed extension of premises section and reformatting the existing sections. She advised Council had the amendment in their agenda packet. The primary thing that the permittee may have applied to the City for authorization to extend their premises. The patrons could not go outside. There was one little exception, but they could not go outside the extended area, the licensed area. This Session Law also contemplated, that owners of establishments may actually be on private property, and it provided a mechanism where-by they had to obtain permission from the property owner. For businesses that were located in the City's downtown area and not on City property that would not apply. There may be restaurants that were on private property, and they want to extend their premises and they must obtain the property owner's permission. They have to have a diagram of the area and provide a copy of the diagram in the permission to extend to these agencies, including the City's Chief of Police. The area had to be marked off properly and the diagram referenced had to be maintained on the licensed premises, showing the number of tables and seats, the size and location, and the type of barriers that the establishment owner was using to mark-off the boundaries, and could not use the area to extend their occupancy load. They had to comply with all laws governing accessibility. This exception, patrons were not permitted to exit the extended area with a beverage except for as allowed under 18b-904.1, that relates to social districts. She mentioned Council adopted an ordinance permitting the City to establish social districts. The business owners had to comply with any other additional requirements, and violations shall be enforced.

There were mechanisms within this Chapter for enforcement, and also subject to civil penalties as contained in the Hickory Code of Ordinances.

Deputy City Attorney Arnita Dula advised to amend Section 21-11's current heading, Malt Beverages and Wine, the amended proposed heading was Alcoholic Beverages, Hours of Sale. She referred to the PowerPoint and explained the slide showed the current formatting, Section 21-8 was reserved. She pointed out where the provisions on the extension of premises would go. If she used that proposed current order, they would notice that the next section 21-9 was Imitating Police Whistle Fire Siren. Then they would see the other two provisions that dealt with alcoholic beverages. She noted the proposed reformatting was on the right. She would move the provisions about imitating police whistles and fire sirens to the reserved Section, new Section 21-9 would be the extension of the licensed premises. Section 21-10 alcoholic beverages consumption on City property and Section 21-11 was the renamed or the new heading alcoholic beverages hours of sale. She asked Council for any questions.

Mayor Guess asked if Council had any questions for Ms. Dula. He thanked Ms. Dula and explained the rules for conducting the public hearing. He declared the public hearing open. He asked if there was anyone present to speak in opposition to the proposal. No one appeared. Mayor Guess asked if there was anyone present to speak in favor of the proposal. No one appeared. Mayor Guess closed the public hearing.

Alderwoman Patton moved, seconded by Alderwoman Williams approval of the amendments to Chapter 21 of the Hickory City Code of Ordinances. The motion carried unanimously.

ORDINANCE NO. 22-05

AN ORDINANCE OF THE HICKORY CITY COUNCIL AMENDING SECTIONS 21-8 RESERVED, 21-9 IMITATING POLICE WHISTLE, FIRE SIREN, ETC., AND 21-11 MALT BEVERAGES, WINE HOURS OF SALE OF BEER OR WINE OF CHAPTER 21 MISCELLANEOUS OFFENSES OF THE HICKORY CODE OF ORDINANCES

WHEREAS, House Bill 890 (HB 890)/Session Law 2021-150 (S.L.2021-150) amended North Carolina General Statute 18B-904(h) to authorize cities to adopt an ordinance granting businesses holding ABC permits for the on-premises consumption of alcoholic beverages permission to extend their licensed premises for the outdoor possession and consumption of alcoholic beverages; and

WHEREAS, the heading of Section 21-11 needs to be amended to be consistent the recently amended heading of Section 21-10.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HICKORY, THAT SECTIONS 21-8, 21-9, AND 21-11 OF CHAPTER 21 OF THE HICKORY CITY CODE BE AMENDED AS FOLLOWS:

Section 1: Amended.

a. Sec. 21-8 Reserved is revised as follows:

Section 21-8. - Imitating police whistle, fire siren, etc.

No person, other than firefighters and police officers on duty, shall sound a bell, horn, whistle, or anything else which makes a noise or sound similar to the sound or noise made by the bells, horns, gongs, signals, or whistles used by the police force and fire department.

b. Sec. 21-9 is deleted in its entirety and replaced as follows:

Section 21-9. – Extension of licensed premises.

(a) A person holding a permit issued under Article 10 or 11 of Chapter 18B of the North Carolina General Statutes that allows the on-premises consumption of alcoholic beverages (hereinafter a "permittee") may apply to the City of Hickory for authorization to expand their licensed premises to utilize an area that is not part of the permittee's licensed premises for the outdoor possession and consumption of alcoholic beverages sold by the permittee. Nothing in this Section permits the sale of alcoholic beverages outside the permittee's licensed premises.

- i. As used in this Section, the term “licensed premises” means and refers to the fixed permanent establishment, including all areas inside or outside the establishment, for which the permittee received an ABC permit from the ABC Commission for the sale, possession, and consumption of alcohol.
- ii. As used in this Section the term “person” means and refers to an individual, firm, partnership, association, corporation, limited liability company, other organization or group, or other combination of individuals acting as a unit.
- (b) In order to receive such authorization, the permittee must comply with all of the following:
 - i. If the property to which the premises will be extended (hereinafter referred to as “extended premises”) is not owned by the permittee, the owner of the property must provide written permission to the permittee, to be provided to the City, allowing the use of the extended premises for the purpose set forth in this Section.
 - ii. The permittee must provide written notification of the authorization to extended premises, including the diagram required under subsection (iv) of this section and, if applicable, a copy of the written permission required under subsection (i) of this section, to the Hickory District Office of the Alcohol Law Enforcement Division of the North Carolina Department of Public Safety, the North Carolina ABC Commission, and the Chief of Police or his/her designee.
 - iii. The permittee shall visibly and vertically mark off the extended premises so a reasonable person could distinguish between the extended premises and any sidewalk, walkway, or public right of way.
 - iv. The permittee shall maintain a diagram on the licensed premises detailing the size and location of the extended premises. The diagram required under this subsection shall have the boundaries of the extended premises clearly marked, specify the types of barriers used to mark the boundaries of the extended premises, and specify the number of tables and seats placed in the extended area.
 - v. The extended premises shall not be used to increase the occupant load of the licensed premises. For purposes of this section, "occupant load" is as used in Section 1004 of the 2018 North Carolina Building Code.
 - vi. The extended premises shall comply with all applicable laws governing accessibility.
 - vii. Except as allowed under North Carolina General Statute 18B-904.1 or to reenter the licensed premises, a person shall not exit an extended premises with an alcoholic beverage purchased from the permittee.
 - viii. The permittee shall comply with any additional requirements imposed by the North Carolina ABC Commission through the adoption of rules.
- (c) Violations of this Section will be enforced as set out in Chapter 18B of the North Carolina General Statutes. In addition to those penalties set forth in Chapter 18B, a violation is subject to civil penalties as set forth in Section 1-9 of the Hickory Code of Ordinances.
- c. The heading Section 21-11. – Malt beverages, wine – Hours of sale of beer or wine is amended as follows:

21-1. – Alcoholic beverages – Hours of sale of alcoholic beverages.

Section 2: Severability.

If any portion of this Section is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed severable, and such holding shall not affect the validity of the remaining portions hereof.

Section 3: Repealed.

All ordinances or provisions of the Hickory City Code of Ordinances which are not in conformance with the provisions of the Amendment occurring herein are repealed as of the effective date of this Ordinance.

Section 4: Effective Date.

This Ordinance shall become effective upon immediately upon its adoption.

2. Approved a Resolution Directing that the Street Improvement Project be Undertaken for Property Located at 2510 and 2520 17th Street NE, Hickory, Petition Number 22-01. – Presentation by Public Services Director Steve Miller.

The City Clerk received a petition from the owner of property along 17th Street NE to install curb and gutter along a portion of their street as per Section 29-2 of the Hickory Code of Ordinances. The petitioner(s) represent a majority, greater than 50 percent of the property owner(s), as well as a majority greater than 50 percent of the property footage of the property frontage requested in the petition and therefore qualifies as a valid petition. On January 4, 2022, City Council approved the Resolution to hold a public hearing. The signature(s) on the petition represent 100 percent of the property owner(s) affected, who in turn represent 100 percent of the property footage affected. The City Clerk validated these numbers on the Certificate of Sufficiency. Staff recommends Council's approval of a Resolution directing that street improvement project be undertaken for petition number 22-01 that is requesting the City to construct curb and gutter along a portion of 17th Street NE.

This public hearing was advertised in a newspaper having general circulation in the Hickory area on January 7, 2022.

City Manager Warren Wood asked Public Services Director Steve Miller to the podium to present Council with a Resolution Directing that the Street Improvement Project be Undertaken for property located at 2510 and 2520 17th Street NE, Hickory, Petition Number 22-01.

Public Services Director Steve Miller presented a PowerPoint. He advised the City Clerk received a petition from the owner of property along 17th Street NE to install curb and gutter along a portion of their street as per Section 29-2 of the Hickory Code of Ordinances. The petitioners represented a majority greater than 50 percent of the property footage of the property frontage requested in the petition and therefore qualified as a valid petition. The signatures of the petition represented 100 percent of the property owners affected. He referred to the PowerPoint and displayed an aerial of the area in question. He pointed out Sandy Ridge Road, and 29th Avenue. He noted it was a dead end off of Sandy Ridge Road. He pointed out the property in question and an additional lot. They were requesting curb and gutter. He mentioned it was a big piece of property and pointed out where the curb and gutter would be placed. The property contained a circle driveway, and this would improve the looks. He pointed out a drainage issue that this should be able to solve. He advised it was pretty lengthy, about a 400-foot lot. There were two driveway openings and all that curb and gutter there. He reiterated it was a single party petition, 100 percent, only one party. Staff recommended Council's acceptance and approval of a Resolution Directing that Street Improvement Project be Undertaken for Petition Number 22-01 that was requesting the City to construct the curb and gutter along a portion of 17th Street NE. He asked for any questions.

Mayor Guess asked for any questions. He advised the same rules for conducting the public hearing applied as he explained previously. He declared the public hearing open. He asked if there was anyone present to speak in opposition to the proposal. No one appeared. Mayor Guess asked if there was anyone present to speak in favor of the proposal. No one appeared. Mayor Guess closed the public hearing.

Mayor Guess moved, seconded by Alderman Zagaroli approval of the Resolution Directing that the Street Improvement Project be Undertaken for Property Located at 2510 and 2520 17th Street NE. The motion carried unanimously.

Resolution No. 22-08

Resolution Directing That Street Improvement Project Be Undertaken
(Petition No. 22-01)

WHEREAS, on December 20, 2021, the property owners of 2510 and 2520 17th Street NE, Hickory, filed with the City Engineer of the City of Hickory a petition for improving said street by placing and constructing thereon curb and gutter according to plans and specifications on file in the office of the City Engineer; and

WHEREAS, the City Clerk has certified to the City Council of the City of Hickory that said petition is sufficient in all respects, the same having been duly signed by a majority in number of the owners, whose property represents a majority of all the lineal feet of frontage of the lands abutting upon the streets or portion of streets hereinabove described; and

WHEREAS, a Preliminary Assessment Resolution was adopted by this City Council and a public hearing thereon duly held.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HICKORY, NORTH CAROLINA:

1. That a portion of 2510 and 2520 17th Street NE, Hickory be improved by placing and constructing thereon curb and gutter under and by virtue of Chapter 160A, Article 10 of the General Statutes of North Carolina and the procedure therein established, and that said improvements be done by the City of Hickory or by contract after due notice and advertisement for bids, as outlined by Chapter 143, Section 129, of the General Statutes of North Carolina.
2. That 50 percent of the total cost of said improvement, exclusive of so much of the total costs as is incurred in improving the street intersections, be hereafter assessed upon the property receiving the improvements.
3. That the assessment herein provided for shall be payable in cash, or if any property owner shall so elect, in accordance with Chapter 160A, Sections 232 and 233 of the General Statutes of North Carolina, he shall have the option and privilege of paying the assessment in five (5) annual installments, said installments to bear interest at the rate of 8 percent per annum.

B. Departmental Reports:

1. Quarterly Financial Report – Presentation by Deputy City Manager Rodney Miller

Mayor Guess asked Deputy City Manager Rodney Miller to the podium to present the quarterly financial report. He mentioned that he was obviously responsible for the Distinguished Budget Award that the City had won for the 27th consecutive year. He was not sure that he had been with the City that long, but he was certainly responsible for some of those.

Deputy City Manager Rodney Miller mentioned he was present in 1995, but he did not think he had much to do with that at that time, but he would take credit. He thanked the Mayor. He discussed the second quarter report which was through December 31st. He presented a PowerPoint. The City's General Fund was displayed on the PowerPoint. That was the main operating fund of the City with the majority of the City departments. The City relies on revenues primarily in the form of property taxes, which was the first line item. He pointed out the year-to-date actual figures compared to last year's revenue total at this time were significantly higher. He advised the City raised the property tax rate by four cents on July 1st. That was going to bring in more revenue for this fiscal year. Four cents on the tax rate were \$2 million dollars. If they did the math and take two million away from ad valorem, they would see they were about \$900,000 ahead of last year. That was the simple math. Other taxes, which were primarily sales taxes. Intergovernmental was State, Federal, and local government revenue, primarily Catawba County revenue that the City received. Permits, fees, sells and services was the rest of the City's departments, in these fees they charge for their services. Unfortunately, the City's investment earnings continued to suffer. He advised they were at a whopping \$11,000 that they had received on their investments through December 31. He noted this was just the General Fund. The City had more investment earnings across the City, but just in the General Fund they only have \$11,000. Miscellaneous was a host of things from donations to insurance reimbursements etcetera. He noted the City was doing quite well. In fact, they had already exceeded their budgetary amounts for the current year. Other financing sources that was a revenue from the Capital Reserve Fund, which helped pay for a capital project in the current year budget. The total revenues totaled \$38.6 million dollars through December. Total expenditures were \$36.2 million dollars with a surplus through December 31st of \$2.4 million dollars. Again, compared to last year, they could this was the City's heavy month through December. This was when the majority of the property taxes were paid. This would be a heavy month in the revenue side and then they would start spending some of that as those revenues kind of deteriorate over the rest of the fiscal year. He discussed property tax revenue. They would see that

slide go up, but he had a slide that he had typically not shown but he wanted to share with them what 2020 and 2022 was. He had showed them the column figure which was the four-cent property tax increase they raised to pay for the final bond issue. He advised in the 2020 column they had actually increased the property tax rate 2.1 cents in that fiscal year. A total of 6.1 cents that they had raised the tax rate. He reminded everyone in 2014, they told the voters 6-8 cents they would be raising they City's property tax rate to pay for the \$40 million dollars in bonds. Those have all now been issued and the City was currently paying the debt back on those bonds. He was a little disappointed that the media was not present to pick up on this presentation, but they could share that with them after the presentation.

Mayor Guess confirmed that was a 20-year commitment.

Deputy City Manager Rodney Miller advised it was 20-years on all three of those bond issues. They started in 2018, 2019 and then 2021. It would be 20-years from each of those dates for those bonds. He referred to the PowerPoint and pointed out the budgeted revenues of a little over \$33.5 million dollars and the City had collected \$27.1 to date. Those were the property tax rate increases he mentioned previously. He asked Council to focus on the third and fifth columns. The City's net property tax revenues. He took the property tax rate increase out of those two years to compare what the normal revenue growth would be. Secondly in 2020, they would have to take out the property tax value growth as a result of revaluation. That was not growth, that was just the County revaluing their properties. When you do that, he referred to the PowerPoint, you were left with the red numbers at the top. Backing those numbers out, he noted they would see \$20.8 million dollars in revenue in 2020, \$25.1 million dollars in revenue in the current year. He pointed out a net increase of 1.82 percent in that year and they were just under four percent so far this year. This was certainly good. He could show the chart for the prior five years and they could see paltry, if not negative increases in one or two years. He was happy to have this growth. He commented the last two years of that growth was certainly positive. As he had mentioned before there had been quite a bit of development on the industrial, commercial, and residential side. They were just now starting to see the fruits of those labors. He pointed out on his development slide they still have a lot in the pipeline. They certainly expect these revenues to go up as long as the economy holds up.

Deputy City Manager Rodney Miller discussed sales tax growth. It had done well, an increase over the last five years. The City had received only through November, July through November revenues. In these 2020 and 21 years, it was a little bit interesting as he had looked back at some numbers and compared to other cities in North Carolina primarily. In 2020 the City started receiving sales tax revenues on Internet sales. As folks are buying things over the Internet, the City started receiving that in late 2020 in the City's sales tax revenue numbers. They began to wonder why the increases were still going up. Covid played a huge factor in that. He referred to the PowerPoint and asked Council to think about July through November of 2021. What happened? He advised a couple of things that happened. Number one, the masks that most everyone was wearing, people stopped wearing those out in the community and they started going out, they started eating and going to movie theaters and finally getting out and spending money. Number two school was in session. We bought shopping back in August for schools to go back, not only for the grade schools here and locally, but across the State the colleges and universities as well. Those were two things that had inflated this number. He did not expect that number to stay or continue at 17 percent. He would take it, and he hoped people would continue to spend in Hickory, but he was not counting on it.

Deputy City Manager Rodney Miller advised on the flip side of that coin, supply chain. They had heard that term and inflation pressures. The City's consumer price index from 2020 to 2021 in December was an increase of 7 percent, the highest since 1982. Mayor Guess was still a young lad at that time, and he may remember that. That was the last time they had had this high of inflation. He referred to the PowerPoint and advised these were national numbers. He asked them to look at some of the items that they had seen increases in that one-year period; natural gas. Certainly, the City of Hickory has a pretty large fleet. Gasoline and diesel usage was pretty high. When you see 40-50 percent increases those were real on the operating expenses in the City's budget. Asphalt, as City Manager Warren Wood said back in the budget document in July, the City has a contract in the current year, so they had not seen that 3.5 percent increase. When they go to a new contract for next year, they would certainly see an increase. Fortunately, nationally, asphalt was not up that much. That was a good thing. He mentioned steel. He talked to the City's Garage Manager today and in 2021 they had a 23 percent surcharge on steel. There

was steel in many of the products and equipment that they buy, trailers especially. They had been told they were going to have an additional 17 percent in the current year, calendar year. Concrete, not as bad as expected, 8 percent. He found this next one interesting, fertilizer increased from December to December, 91 percent. If they were doing their yard this year, they may want to try some other product besides fertilizer. Tires, fortunately they had not had an increase on tires, they had stayed flat, but they were hard to get. They were now trying to order well in advance. There was some good news from the past year. Health insurance costs actually declined from the national level and that was very, very rare. Wine at home actually decreased in the last year.

Deputy City Manager Rodney Miller discussed what the City was feeling from an operational standpoint. They were feeling quite a bit of wage pressures. They had felt these now in a couple departments for the last several years. They had focused their efforts on recruitment and retention in spite of what some media posts said. That had been their focus and would remain their focus. He would show them where in certain areas that they were hemorrhaging, and they were trying to do everything they could to stop the bleeding. One example was they had an equipment operator position open for sanitation. They may have gotten one or two applicants for it. Sometimes they post you get zero applicants. That was a problem. They have had to increase that starting pay from \$14.25 an hour to \$16.39 an hour. That was a 15 percent increase, just to get someone in the door. Late last year they had tried and been successful in a couple sign on bonuses and referral bonuses just for a few of the harder to fill positions, those that they were not getting many applications for. They had seen it. Drive down Highway 127 or Springs Road and see \$15 or \$16 an hour. Hickory Smokehouse was closing because he said he could not compete with folks, the grocery store offered more than him at Hickory Smokehouse. It was a challenge, and it was not only a challenge for them, but it was a challenge for everyone in Hickory, but that was what they were feeling. Staffing challenges. Steve Miller told him they have a couple of crews out of service. A crew was normally four people that go out and do a job, whether it was street, landscape, or other divisions. They had actually three crew leaders with no workers. Three crew leaders and a worker filling out a four-man crew. That was just not sustainable, and they were working overtime and they were trying to keep up. The snow really hit them hard, and they had a great amount of folks that worked overtime and they made it work. They did not do it as quickly as they had in the past, but they made it work and he thought they did an outstanding job.

Deputy City Manager Rodney Miller discussed capital purchases. If they were ordering heavy equipment cars and trucks, they were looking at a 12–16-month delays. New vehicles had seen an 11.8 percent increase in the City's vehicles according to the garage. In the budget this year, they had planned to buy three dump trucks in the landscape division. They had a budget of \$56,000 and they came in at \$70,000. They only purchased two of those. That was one less new one that they were going to be able to afford. A street crew cab truck was budgeted at \$155,000, went up to \$190,000 from the year before.

Deputy City Manager Rodney Miller discussed construction costs. The 12,000 square foot hangar the City was building out at the airport for the needed hangar space had been estimated, based on prior bids, at \$1.2 million, it came in at \$1.5 million or 25 percent higher than they had expected. Those are challenges. The revenue picture was great, but the operating expense side, capital expense side was hurting as well, and it was eating into that growth.

Deputy City Manager Rodney Miller discussed some of the building permit activity. He was pleasantly surprised on a lot of these numbers. They were at \$40 million dollars through last year at this time and they were already at \$102 million dollars in value. These were permits that had actually been pulled. He discussed residential and commercial rate. The rate of development was about the same if you looked at the number of permits. The City was up 30 overall. Residential had carried the lion's share of those permit numbers but look at the value. Commercial was a 355% increase from where they were last year at this time. He highlighted a couple of those before. The primary reason for that was American Fuji Seal. He referred to the Trivium Business Park and advised the development out there on Startown Road and Robinwood Road really looked good. In industrial development, they were over one million square feet in development the last two years in industrial development. Congratulations and kudos between Trivium Business Park, and MDI, they were over a million square feet. He referred to the PowerPoint and pointed out some of the newer developments, Wynnshire Ridge was developing, Loveland Townhomes in the Belle Hollow area, Image One Sushi right next door had pulled a permit, Atriax off of Main Avenue going west was under construction and they were doing a facelift, IFH was an alteration, and MDI. He thought Planning Director Brian

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Frazier had told him they had two Starbucks in the making here in Hickory. Still no word on the hotel at least on this hotel. They were hearing there may be some interest in another hotel being added in Hickory. He commented regarding residential, what was in process versus what they had seen plans for, they had 2,800 housing units in the pipeline. That was really, really good news. That property tax base, once it gets on the books, then they would start receiving the revenue for that.

Deputy City Manager Rodney Miller discussed the water and sewer fund. Nothing significant here, revenues were slightly down from last year. Expenditures were actually down quite a bit from the year before primarily due to encumbrances. The expenditures were about \$124,000 higher than their revenues at this time. That was normal. They would pick that back up as water usage starts happening in the spring.

Deputy City Manager Rodney Miller discussed the investment report. He pointed out the paltry .25 percent the City was earning on their investments. They had earned a little over \$70,000 Citywide in investment income. That was a breakdown for all of the City's securities. They were going to be heavy in investments right now because they had just received all this property tax revenue. He referred to the PowerPoint and pointed out the 2021 bonds. They have about \$4 million dollars that had not been spent yet on the bonds. He pointed out the American Recovery Plan Act money for the first half of \$4.1 million dollars plus interest they had earned on that. They would receive the other \$4.1 million dollars, they think, sometime this June/July timeframe. He asked Council for any questions.

Mayor Guess asked if Council had any questions for Deputy City Manager Rodney Miller.

Alderman Wood asked for next year's budget would he build the inflationary numbers into it and assume that was the new normal or how was he going to deal with these inflation numbers.

Deputy City Manager Rodney Miller commented that was a great question and he would love to have that discussion in April when they come to Council. He still needs some more information. They want to get the final national numbers through December. They would start parsing that out and seeing what those were. He did not expect gas prices to stay this high. That was just his opinion. They were seeing some commodities decrease. For example, wood, they say lumber was coming down a bit. It really concerned him about steel. Gasoline would really hurt them the most. Fortunately, they had budgeted very, very conservatively and even in their budgets he did not expect to amend the budget this year because they left those at rates when they were \$4 a gallon. On the diesel and gasoline, unless things get worse, he saw \$3.09 on regular gas, it would have to get above \$3.50 for him to really be concerned, but he was hoping that was transitory, which was the buzzword in Fed, so they would see if that held. It was too early to tell was the short answer. He asked for any other questions.

Mayor Guess asked for any other questions. He thanked Deputy City Manager Rodney Miller.

City Manager Warren Wood advised Council that he had a follow-up to Deputy City Manager Rodney Miller's presentation. He mentioned in his evaluation this past year he had a number of goals and objectives that Council put in for him to pursue this coming year. He updated Council on where they were on a couple of those and also played into some of what Deputy City Manager Rodney Miller was talking about, particularly on the challenges that they were seeing on the employment side. Mr. Anthony Starr discussed the disparities report. One of the things that came out of that and was in his work plan for the coming year was for him to generate a report that detailed the current City of Hickory workforce composition and see what kind of progress they were making. He would give some quick snapshots of average years of service of their employees, average age, percent of the minority representation year over year and gender breakdown. He noted he would look at some of the larger departments he was not going to go through everything. This was where more of the budget, financial conversations came into play. One of the other objectives Council had for him was to generate a succession plan for critical positions and they were doing that, but they were also taking that one step further. The succession plan was a 3 to 5-year outlook. The leadership development program that they were trying to put in place, beginning to work on, would be a longer-term project that would hopefully yield dividends after he was gone. He advised he would discuss a little bit about that, identifying the next generation of leadership and enhancing their

development programs. They had some really good leadership development programs in place already. How do they tie all this together? Putting career ladders in, giving folks an opportunity once they meet certain benchmarks in training or certifications, or what not, to give them a chance to move up and not get stagnant and look for other job opportunities outside the organization. Career ladders were something they were going to focus on, and they had already started with public works and public utilities. Getting some data on where they need to be focusing first and where some issues were, and what rate the employees were retiring from which departments. What departments were they seeing the most people retire from? Which departments were they seeing the fewest people retire from and why is that? He would look at current vacancies that was going to be very eye opening. What departments were experiencing the most turnover and that would be extremely eye opening.

City Manager Warren Wood presented a PowerPoint presentation. He advised the majority of employees, almost 60 percent were 10-years or less in average years of service. They have fewer people that had been here a longer period of time. There was a lot of opportunity to really identify who they feel like would be really good leaders for this next generation, in that less than 10-years. They found if they could keep somebody 10-years the likelihood that they would stay would be higher. He mentioned this was old school, but Chief Lucas used to say that if he could keep them five-years get them married and get them to have a kid then you know they were going to be his for-a while. He discussed average years of service by department. These were some of the larger departments. He pointed out Fire 12.5 years; Public Services 9; Administrative Services, which was Human Resources IT, Finance, Managers Office, 9; Police was lower; and then Parks and Rec and Sports Tourism was really young in terms of their years of service. By age it was interesting. It was about a 50/50 age breakdown, 50 percent 40 and above, 50 percent below. It was pretty balanced in terms of the age breakdown within the organization as it stood.

Mayor Guess commented that he did not factor in that Council's age.

City Manager Warren Wood replied no, he took them out of it.

Mayor Guess commented that would have skewed the numbers.

City Manager Warren Wood discussed looking at average age by department. Administrative Services were the oldest. Then Public Services. There was a lot of 40-ish year old, Police skews were a little bit younger, but a lot in that 40- year-old as an average age by department. He referred to the PowerPoint and advised this was a year ago, 2021, the demographic breakdown by race and ethnicity. The City of Hickory was about 30 percent minority. One of their goals was they want to look like the people they serve, and they do not. The City does look like the four County region, but they do not look like Hickory in terms of the racial breakdown. Last year they were at about 10.4 percent. He advised Council he could send them the information if they were interested in it. It was going to be incremental in terms of progress that they would see. He pointed out a year later, they had improved about 1.2 percent in terms of diversifying the workforce. They would think that was not really moving the needle very much, but it really was because given the tenure, people often stay. They had increased almost all the racial breakdowns. That was an improvement over the last year. He looked at some of the departments in terms of their minority and employment. Parks and Recreation were almost 50 percent minority; Administrative Services 19 percent; Police 10.5 percent, Police had done a really good job of being innovative in the way they recruit people and bring people on, but still they have work to do; Public Service was about 6 percent of their employment; and Fire was about the lowest around 5 percent. Staff knew that this was one of their objectives. They do not cut corners or anything, they need to diversify the workforce and that was what they were focused on. In terms of gender, they were heavily male, 75 percent male within the organization. The Administrative Services side was heavily female, almost 74 percent female. Parks and Rec about 47 percent, it was about 50/50, they were probably the best balanced of all the departments in terms of racial breakdown and gender. They had done a really good job there. They were also younger. They had a lot of retirements, and they had a lot of opportunity to really bring some new people in. Police, 21 percent female; Public Services just over 8; and Fire again, was exactly the same as their minority representation about 5 percent female.

City Manager Warren Wood discussed succession planning. This was getting into just pulling the curtain back on what they were seeing in various departments, full retirement, that was 30-year retirement. Working 30-years with the City and then retiring. They had about 35 retirements the last five-years across all departments. The Fire Department represented over a third of those,

then Public Works, Public Utilities, and Police. There may have been a few in other departments, but that was the bulk of the retirements that they had seen throughout the City the last five years. A lot of people in the Fire Department working the 30-years for retirement. He advised this was how many people were employed versus in training versus vacant positions. The Police Department had 158 positions. With these numbers currently they were 84 percent fully staffed. They have 10 in training and 16 straight up vacancies. They have 26 vacancies. Most of those are sworn officers. Having someone in training was having a field training officer with them, so they were not by themselves, so that really takes a person off the street. They were down 26 people in their department. They were making it work. The Fire Department was a little bit different picture there. They were 94 percent fully staffed. He just signed seven payroll change notices to bring seven new people on board to go through training starting next week. As it stood today, they actually just have two vacancies out of 139 positions, so again they were 94 percent fully staffed. Public Services had 270 positions, 50 of which were vacant, they were about 80 percent staffed. When they see a snowstorm coming it was a lot of stress and anxiety, but they had done a really good job and they had a really good core group of people that had been here a long time that could do a lot of different things. That was how they were able to get it done so seamlessly and they never knew. He mentioned that unfortunately in Newton, they had to suspend their recycling service because they do not have enough people. It was critical here too, but Steve Miller and Shawn Pennell make it work. Like leaf pickup, obviously they were short with people to pick up leaves. As an example, the Warehouse Manager goes out on Saturdays and he was working overtime, picking leaves up with a crew. That was how they were all pitching together and working as a team, getting this done, and the public typically does not even know any lapse in service. They had done a great job.

City Manager Warren Wood discussed turnover rates in the last five-years. This was eye opening. In the last five-years in sanitation, they had a 29 percent average each year turnover rate. They had started addressing this with some career ladder opportunities and having to adjust pay. It was triage to some degree. Ordinarily they would address a lot of these things in terms of pay during the budget process. They could not wait until the budget process to address some of these things. They have to put money in place to try to attract applicants for jobs. They could see that Public Services, Public Works, and Public Utilities had suffered the most. Police has had a 12 percent turnover rate and then the Library and Fire. If folks were wondering why they were not putting resources into certain departments related to pay, all you have to do was look at this. If you were a manager and you were looking at this, there were limited resources, he had to get the trash picked up, they have got to put more money into pay or whatnot to make sure that gets done.

City Manager Warren Wood advised this was a snapshot and he would have a more thorough report that would come out that would have more information. He was really excited about creating more career development opportunities, leadership opportunities for folks. Claudia Main and Human Resources, they have a leadership academy. He was always amazed at the people that they churn out of that and verily high-quality folks in the organization that they were fortunate to have and those were the folks they need to be nurturing for leadership opportunities. They were going to continue to work to diversify the organization to make it look like the community that it serves. He and Alderman Wood were talking, and Alderman Wood said if organizations were hiring, they were behind the curve because you have got to be recruiting. You just do not sit back, and people give you their applications anymore, you have to be promoting yourself and putting yourself out there recruiting and selling yourself, that was the name of the game. They were focused on succession planning. They have got a lot of folks, Department Heads and Assistant Department Heads that were really close to retirement. Terry Clark had been with the City since 1980, so they had people that could go anytime they wanted to, but he had a feel when a lot of that was going to happen, so they were still finetuning that. Working on the leadership development within the organization for that next generation of leaders. Working on the career ladders, cross training, teamwork. They cannot be siloed in our departments they were going to have to learn how to be flexible and multi skilled. What they value in the organization was being customer focused, being innovative, being a team player. Those were the folks that could do that and demonstrate that that they were going to focus on and try to develop. He asked Council for any questions.

Alderwoman Patton thought they were doing a really good job of promoting vacancies in the City on social media. She hoped that was helping. She had seen quite a bit of it, and it seems very effective.

City Manager Warren Wood commented he was sincere when he says this, if they knew people that were looking for jobs have them call the Human Resources Department because they had lots of different types of opportunities.

Mayor Guess commented he did not have a question, but this was very informative, both of these reports. They understood that there were disparities but kudos to the entire staff because they were addressing them and like he said, and like other people had said many times, the general public really had not, he did not think, noticed any difference in the services that the City of Hickory provided and continued to provide. That was all because of the City's staff and how hard they work.

City Manager Warren Wood advised the challenge was the wear and tear it puts on the employees because they were working all this overtime and they were getting burned out. They had to find a solution to a lot of this, but that was what they were working on.

Alderman Zagaroli had heard in Morganton they have a Policeman/Fireman combination.

City Manager Warren Wood confirmed that was correct. They have what was called a public safety model. They do have just an individual Police and Fire, but they also have folks that are trained to do both and there was not a whole lot of that, Sunnyvale, California was one that had been doing that for a long time, but Morganton had as well.

Alderman Zagaroli inquired if that was something the City should consider.

City Manager Warren Wood advised they were going to look at everything, shift schedules, being multi-disciplined, and the Fire Department was doing a lot of that with rescue and some other things that they were working on. They were going to look at everything. It was not going to be business as usual and it may take a few years of transition to a new normal, but it could not be business as usual the way local government had been accustomed to doing things. It was a good question.

Alderwoman Patton requested City Manager Warren Wood send the presentation to Councilmembers.

Alderwoman Williams asked if they had looked at reorganization at all in terms of, they were still looking at the structure as it is and seeing the gaps, which would go along with some of that.

City Manager Warren Wood advised one of the most recent examples of that was Parks and Recreation had their own maintenance operation. They had merged that into Public Works, which had been a huge improvement in the level of the quality of maintenance. They looked at those sorts of things regularly. Yes. And eliminating positions that were antiquated that they do not need anymore.

Alderman Zagaroli asked for a copy of the information as well.

City Manager Warren Wood confirmed that he would send that to everybody.

Mayor Guess commented it goes without saying that this presentation was very informative, and he was sure they would all benefit from maybe every couple of months hearing an update to this.

City Manager Warren Wood commented there was a lot of work to be done, in a lot of different areas. The City has a great staff, great Department Heads, and great leadership. He did not know where they would be without those folks. He thanked them too.

Councilmembers thanked City Manager Warren Wood.

2. Appointments to Boards and Commissions

CITIZENS ADVISORY COMMITTEE

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Small Cities Project Area

VACANT

COMMUNITY APPEARANCE COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
At-Large (Outside City but within HRP) (Council Appoints)

VACANT

COMMUNITY RELATIONS COUNCIL

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 Other Minority (Council Appoints) VACANT
 Other Minority (Council Appoints) VACANT
 Other Minority (Council Appoints) VACANT
 Differently Abled and is African American or Other Minority (Council Appoints) VACANT
 Differently Abled (Council Appoints) Beth Whicker
 (Not Eligible for Reappointment)

HISTORIC PRESERVATION COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 At-Large (2)(Council Appoints) Mary Moorer
 (Eligible for Reappointment/Does Not Wish to Serve Again)

LIBRARY ADVISORY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 Ward 3 (Seaver Appoints) VACANT
 (Beth Schauble Resigned 11-10-2021)

PUBLIC ART COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 Ward 4 (D. Williams Appoints) VACANT
 At-Large (Mayor Appoints) Beth Bowman
 (Not Eligible for Reappointment)
 At-Large (Mayor Appoints) (Harold Humphrey Resigned 11-4-2021) VACANT

Mayor Guess nominated Dana Andreasson as an At-Large Representative on the Public Art Commission.

RECYCLING ADVISORY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 Ward 6 (Patton Appoints) (Lona Hedrick Resigned 1-11-2022) VACANT

YOUTH COUNCIL

(Terms Expiring 6-30; 1-Year Terms) (Appointed by City Council)
 Youth Council Applicant Review Committee Recommends the Following Appointments:
 Fred T. Foard VACANT
 Homeschool VACANT

Alderman Seaver moved seconded by Alderwoman Patton approval of the above nomination. The motion carried unanimously.

- C. Presentation of Petitions and Requests
- XII. Matters Not on Agenda (requires majority vote of Council to consider)
- XIII. General Comments by Members of Council, City Manager or City Attorney of a Non-Business Nature

City Manager Warren Wood mentioned it was about one year ago this month that the Fire Department received its Class One Certification on ISO, so that was a huge achievement for their group. The water system played a lot into that too and that was also a team effort.

Alderman Seaver asked if that was something they reevaluate each year.

City Manager Warren Wood advised five years.

Mayor Guess commented it kind of goes along with what had been said tonight and kind of the theme of what had been said tonight. He knew that oftentimes he gets calls, texts, and emails and all kinds of things from the City's citizens and visitors, telling him what a great staff they have and bragging on certain departments and individuals. He knew that other Councilmembers hear those all the time as well. They do not always do a very good job of announcing those things, but there was one that came across his email that he shared with everybody. A citizen contacted him by email and said they had a substantial water break in front of their house on Sunday. They were extremely impressed. The emergency water guys got it shut off and repaired around 11:00 p.m. They had cold weather, nasty water, mud gushing, and pumps running and even missed both NFL games, but they stayed until it was finished. They hear those types of things frequently. He took the opportunity to publicly let those folks know how much they appreciate them, and not just them, but they were appreciated and a lot of times they do not get the recognition for that, but

February 1, 2022

they certainly want to make sure that when they have an opportunity that they recognize those folks. He thought they took it for granted a lot of times. They just think a waterline breaks and they were going to fix it. As they could see there were a lot to those types of things, and they do take those things for granted from time to time. He appreciated not just them, but all of the City staff and the work that they do, really 24/7. He thanked everyone.

XIV. There being no further business, the meeting adjourned at 8:12 p.m.

Mayor

City Clerk

COUNCIL AGENDA MEMOS

To: City Manager's Office
From: Karen Dickerson, Community Development Manager
Contact Person: Karen Dickerson
Date: February 1, 2022
Re: 2022 Urgent Repair Program Application

REQUEST

Authorize staff to apply for 2022 Urgent Repair Program (URP22) through the North Carolina Housing Finance Agency (NCHFA)

BACKGROUND

The Urgent Repair Program provides funding in the form of a forgivable loan to low and extremely low-income homeowners with special needs at a maximum of \$12,000 per dwelling unit. The City has applied for these funds numerous times in recent years. During the 2020-2021 fiscal year ten (10) homeowners received home repairs through the program. Staff plans to apply for \$75,000 of funding through the program. This funding will assist at least 8 eligible homeowners with repairs. The City of Hickory will provide \$5,000 in matching funds. This is available from program income that was received through the former Rental Rehabilitation Program.

ANALYSIS

The Urgent Repair Program funds will be used to supplement the City's Community Development Block Grant Housing Rehabilitation Loan Program, which generally works on larger projects with families that have slightly higher income. Staff will prepare an application that incorporates program requirements, applicant eligibility standards, and program capabilities. Upon approval by City Council, the application will be submitted with the required \$75.00 application fee to the NCHFA.

RECOMMENDATION

Staff recommends that City Council authorize staff to apply for the 2022 Urgent Repair Program through the North Carolina Housing Finance Agency.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

If funds are awarded, a grant project ordinance amendment will be developed.

Reviewed by:

David Leonetti ^{DLE}

Initiating Department Head

2/1/2022

Date

Anita M. Dula

Deputy City Attorney, A. Dula

2-4-22

Date

Rolyn Miller

Asst. City Manager, R. Miller

2/8/22

Date

Pat Beasley

Interim Asst. City Manager, R. Beasley

2/7/22

Date

Melissa Miller

Finance Officer, Melissa Miller

2/4/22

Date

Cameron Mchargue

Purchasing Manager, Cameron Mchargue

2-7-22

Date

Recommended for approval and placement on _____ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

W. Wood

City Manager, W. Wood

2-8-22

Date

To: City Manager's Office
From: Community Appearance Commission
Contact Person: Cal Overby, Planning Department
Date: February 3, 2022
Re: Community Appearance Grant – Century Leasing, LLC

REQUEST

The Community Appearance Commission recommends City Council approval of a Community Appearance Grant for non-residential property owned by Century Leasing, LLC located at 401 11th Street NW in the amount of \$7,500.

BACKGROUND

City Council created the Community Appearance Grant program to provide economic incentives for property owners to improve the general appearance of properties located within the City's designated Urban Revitalization Area. The Community Appearance Commission reviews applications for the grant program and forwards a recommendation of approval or denial to City Council. The grants are designed as a reimbursement grant in which the City of Hickory will match the applicant on a 50/50 basis. The maximum grant amount from the City of Hickory is \$7,500.

ANALYSIS

The grant proposal involves the painting of the building's exterior. The property is located within the City's defined Urban Revitalization Area, and as such is eligible for the consideration of a Community Appearance Grant.

The applicant has provided two (2) estimates for the work listed above, the low estimate for the work totals \$19,466. The subject property's current tax value is assessed at \$1,727,800. The requested grant amounts to 0.43% of the property's tax value.

RECOMMENDATION

The application was reviewed by the Community Appearance Commission. After consideration the Commission scored the application at 30 points out of a possible 36 points, which placed the application into the high category of scoring. Given the score, The Commission unanimously recommends funding of the grant application in the amount of \$7,500.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

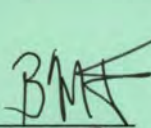
Yes

No

LIST THE EXPENDITURE CODE: 010-5016-558-30-03

Reviewed by:

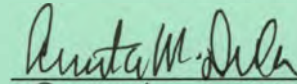
Brian Frazier



2/3/22

Date

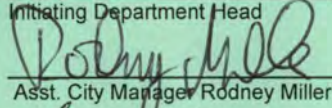
Initiating Department Head



Deputy City Attorney, A. Dula

2-4-22

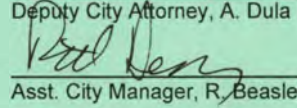
Date



Asst. City Manager Rodney Miller

2/8/22

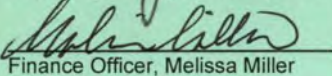
Date



Asst. City Manager, R. Beasley

2/7/22

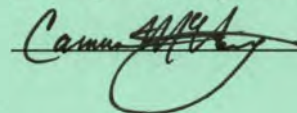
Date



Finance Officer, Melissa Miller

2/4/22

Date

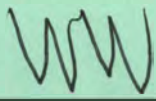


2-7-22

Date

Date

Recommended for approval and placement on _____ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).



City Manager, W. Wood
2-8-22

Date



Life. Well Crafted.

Office of Business Development

MEMORANDUM

To: Hickory City Council

From: Community Appearance Commission

Re: Century Leasing, LLC Community Appearance Grant

Century Leasing, LLC (Century Furniture) has applied for a Community Appearance Grant. The proposal involves improvements to a non-residential building located at 401 11th Street NW

The grant proposal involves repainting the building. The applicant indicated they would like to improve the outer appearance of the building in anticipation of construction of the City Walk that will be constructed adjacent to the facility. The property is located within the City's defined Urban Revitalization Area, and as such is eligible for the consideration of a Community Appearance Grant.

The applicant has provided two (2) estimates for the work listed above, which total \$19466.00 and \$35200.00. If the Commission moves to approve the proposed grant at the lower of the two estimates, the request will qualify for a \$7,500.00 grant.

The subject property's current tax value (building and land) is assessed at \$1,727,800.00. The requested grant amounts to 6.9% of the property's tax value.

After consideration the application was scored at 30 points out of a possible 36 points, which placed the application into the high category of scoring. Given the score, The Commission unanimously recommends funding of the grant application in the amount of \$7,500.00.

Please refer to the attached materials for complete information.

Century Furniture Community Appearance Grant

 401 11th Street NW



HICKORY
North Carolina
Life. Well Crafted



PREPARED BY: Legal Department, City of Hickory
PO Box 398, Hickory, NC 28603

STATE OF NORTH CAROLINA

**APPEARANCE
GRANT AGREEMENT**

COUNTY OF CATAWBA

THIS AGREEMENT, made and entered into this _____ day of _____, 2022, by and between the **CITY OF HICKORY**, a municipal corporation of Catawba County, North Carolina, hereinafter referred to as the CITY, and having a mailing address of P.O. Box 398, Hickory, North Carolina 28603, and **CENTURY FURNITURE LEASING LLC**, referred to as the RECIPIENT, and having a mailing address of 401 11th Street NW, Hickory, NC 28601.

WITNESSETH

THAT WHEREAS, the City is dedicated to the visual and functional improvements of properties within its Urban Revitalization Area (URA); and

WHEREAS, the City is willing to award grants for physical improvements for the purpose of assisting in the visual enhancement of certain existing properties provided the Recipient agrees to certain conditions.

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained the parties agree as follows:

1. The Recipient agrees to utilize the grant funds to fulfill that project described in the Downtown Appearance Improvement Incentive Grant Application attached hereto as Exhibit "A" and to utilize said funds solely for physical improvements. Said application is made a part of this Agreement and incorporated herein by reference as if more fully set forth.
2. The Recipient agrees to improve those premises described in Exhibit "A" in accordance with the intent of the City Center Plan to enhance the aesthetic integrity of the premises in accordance with the specifications established in attached "Exhibit A".
3. The Recipient agrees to maintain the design integrity of the proposed improvements, creating, retaining and/or modifying those elements, which enhance the premises.
4. The Recipient agrees to abide by and conform all construction, rehabilitation, renovation, demolition, and landscaping undertaken pursuant to this agreement to all applicable laws of the United States, the State of North Carolina, and those applicable provisions of the ordinances of the City of Hickory directly or indirectly related to the subject matter of this agreement.
5. The amount of this grant is Seven Thousand Five Hundred Dollars and 00/100 (\$7,500.00), payable upon completion of said project, and submission of documentation confirming payment of all contractors and/or subcontractors, provided said project is

completed within 120 days from the date of this agreement being signed in accordance with those provisions specified in the Downtown Appearance Improvement Incentive Grant Application.

- 6. The Recipient agrees that in the event the actual project costs are less than the estimated costs, the City grant will be reduced to solely the amount of the actual project costs that would be eligible for participation in this program.
- 7. Technical assistance provided by the City will be advisory only. The City will not be a party in negotiations between the Recipient and any contractor employed by the Recipient nor will the City provide legal advice or services to any party. The Recipient agrees to hold the City harmless for any defects in workmanship or from any liability, damages, or other costs relative to this project.
- 8. This Agreement may be terminated and the City may withhold grant monies upon the Recipient's breach of or failure to perform any of the terms of this agreement. The City shall give the Recipient notice in writing of any potential breach of this Agreement, after which the applicant shall have ten (10) calendar days in which to cure said breach. In the event of a failure to cure a breach of this Agreement, the City of Hickory may pursue any remedy available, either in equity or at law.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed upon the day and year first written above.

CITY OF HICKORY
A North Carolina Municipal Corporation

By: _____
Hank Guess, Mayor

ATTEST: (SEAL)

Debbie D. Miller, City Clerk

Approved as to form and legality on behalf of the City of Hickory only:



Attorney for the City of Hickory

This document has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.



Melissa Miller, Finance Officer

Brandon M. Hucks

Brandon M. Hucks

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

I, _____ a Notary Public of said county and state, certify that **Debbie D. Miller** personally came before me this day and acknowledged that she is City Clerk of the City of Hickory, a North Carolina municipal corporation, and that by authority duly given and as the act of the City Council of the City of Hickory, the foregoing instrument was signed in its name and by its Mayor, sealed with its corporate seal and attested by her as its City Clerk.

Witness my hand and seal this _____ day of _____, 2022.

(Seal)

Notary Public

My Commission Expires: _____

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

I, Carrie M. Regan, a Notary Public of the County and State aforesaid certify that **Brandon M. Hucks**, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official stamp or seal this 25th day of January, 2022.



Carrie M. Regan

Notary Public

My Commission Expires: Nov. 9, 2025

Appearance Grant Application Form

Project Location Address: 401 11th Street NW, Hickory, NC 28601

Applicant's Name: Century Furniture, LLC

Applicant's Mailing Address: 401 11th Street NW, Hickory, NC 28601

Telephone: Day: 828-234-2546 Mobile: 828-234-2546

E-mail address: bhucks@centuryfrniture.com

Project Description: In preparation for the City Walk on 11th St, Century will improve the appearance of the warehouse building facade by pressure washing and painting the metal wall panels on each end of the warehouse, as well as the front canopy, gutters, and downspouts.

Materials to be used: pressure washer, lift, caulk, primer, and paint.

The quotes attached (Whitmire Decorating & Custom Coatings) also include painting the rear of the warehouse; this is not included in the following breakdown:

	Whitmire	Custom Coating
Metal End Walls	\$7,983	\$17,950
Canopy, Gutters	\$11,483	\$17,250
Total	\$19,466	\$35,200

Total Estimated Project Cost \$ \$15,000+
Grant Request Amount \$ \$7,500

Required Attachments

- Property Deed or Lease
- Color photographs of the existing site or project area
- A plan (drawing) of the site showing the exact location of proposed improvements
- A detailed list of the materials to be used
- A detailed project narrative that fully explains how the application meets the grant guidelines; and
- Two cost estimates/bids.** Cost estimates must be from two different companies or individuals who are capable of performing the proposed work as outlined.

Certification by Owner

I have completed the enclosed application and attached the items requested above. I have been adequately informed of the requirements of this grant (including eligible and ineligible activities) and the process for review of my application.

I understand that the grant money will only apply for approved work that is completed in accordance with the information I have provided in this grant application. Additional work that may be done on site but that is not described in this application will not be reimbursed.

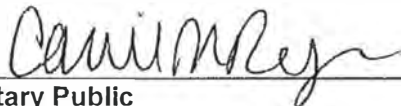
Owners Signature:  Date: 11/24/21
(Owners signature must be notarized)

**NORTH CAROLINA
CATAWBA COUNTY**

I, Carrie M. Regan, a Notary Public for said County and State, do hereby certify that Brandon M. Kucis personally appeared before me this day and acknowledge the due execution of the foregoing instrument.

Witness my hand and official seal, this the 24th day of November, 2021.




Notary Public

My Commission Expires: November 9, 2025

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FILED
CATAWBA COUNTY
DONNA HICKS SPENCER
REGISTER OF DEEDS

BK 2915 PG 0064

FILED May 28, 2008
AT 01:06:16 pm
BOOK 02915
START PAGE 0064
END PAGE 0067
INSTRUMENT # 13029
EXCISE TAX (None)
PW

NORTH CAROLINA GENERAL WARRANTY DEED

THIS INSTRUMENT WAS PREPARED BY:

✓ ELOISE D. BRADSHAW
PATRICK, HARPER & DIXON, L.L.P.
P. O. Box 218, Hickory, NC 28603

REVENUE \$ N/A

NORTH CAROLINA

CATAWBA COUNTY

THIS DEED made this 28th day of May, 2008, by and between **CV Industries, Inc., a North Carolina corporation, successor by merger to Century Furniture Industries, Inc., a North Carolina corporation,** Grantor and **Century Leasing, LLC,** a North Carolina limited liability company, Post Office Box 608, Hickory, North Carolina, Grantee.

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, the following lots or parcels of land situate in Hickory Township, Catawba County, North Carolina and more particularly described as follows:

See Exhibit A

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

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And the Grantor covenants with the Grantee, that the Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that the Grantor will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions hereinafter stated. Title to the property hereinabove described is subject to the following exceptions:

All easements, restrictions, and rights-of-way of record.

IN WITNESS WHEREOF, the Grantor has caused this instrument to be signed in its corporate name by its duly authorized officer by authority of its Board of Directors, the day and year first above written.

CV Industries, Inc.

By: *[Signature]*
Richard L. Reese, Chief Financial Officer

NORTH CAROLINA

CATAWBA COUNTY

I, a Notary Public, certify that Richard L. Reese personally came before me this day and acknowledged that he is the Chief Financial Officer of CV Industries, Inc., a North Carolina corporation, and that he, as Chief Financial Officer, being authorized to do so, voluntarily executed the foregoing on behalf of the corporation.

Witness my hand and official seal, this the 28th day of May, 2008.

My Commission Expires: 10/12/2008 *Beverly L. Cook*
Notary Public

Beverly L. Cook
Printed Name of Notary



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Casegoods

Exhibit "A"

Being a 22.593 acre tract in Hickory Township, Catawba County, North Carolina located at 401 11th Street, N.W., Hickory, North Carolina and more particularly described as follows:

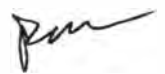
Beginning on a 5/8" rebar set in the C/L of the Norfolk Southern Railroad tracks, said point being located S14°23'09"E 155.76' from a GPS Control Point (#CF16), said point also being located N25°11'38"W 75.17' from an existing PK nail in the C/L of said railroad and the C/L of 11th Street N.W.; thence from said beginning point N89°10'47"W 30.82' to an existing PK nail thence S26°12'48"E 101.94' to an existing 5/8" rebar in the Western margin of 11th Street N.W.; thence S17°22'48"E 83.45' to an existing 5/8" rebar in the Western margin of 11th Street N.W.; thence with the Western margin of said street S24°36'48"E 412.66' to an existing "mag" nail, said nail being located N18°32'01"E 67.83' from a GPS Control Point (#CF15); thence S13°49'12"W 77.59' to an existing 5/8" rebar; thence S23°53'12"W 50.00' to an existing 5/8" rebar; thence S33°47'12"W 50.00' to an existing 5/8" rebar; thence S45°21'12"W 30.49' to an existing 5/8" rebar; thence S51°44'12"W 38.06' to an existing 5/8" rebar; thence S57°38'57"W 55.60' to an existing 5/8" rebar in the line of Marcus L. Little (994/266); thence with the line of Little; N18°36'10"W 110.83' to an existing 1/2" pipe; thence continuing with Little's line S81°41'46"W 296.30' to an existing 7/8" pipe on the East side of 12th Street Drive, N.W.; thence with the Eastern margin of 12th Street Drive, N.W. N18°48'33"W 75.00' to a point, said point being located S26°42'10"E 127.07' from a "mag" nail set in the C/L intersection of 3rd Avenue N.W. and 12th Street Drive, N.W.; thence N18°25'53"W 229.00' to a point; thence N17°52'22"W 174.00' to a point; thence N17°51'18"W 71.00' to a point; thence N17°52'30"W 77.50' to a point; thence N18°23'26"W 168.33' to a point; thence N21°27'20"W 61.80' to a point; thence N26°26'11"W 93.10' to a point; thence N27°33'10"W 74.14' to a point; thence S61°05'40"W 14.16' to an existing 5/8" rebar; thence N27°50'54"W 744.00' to an existing 5/8" rebar; thence N28°52'15"W 228.44' to an existing 5/8" rebar; thence N21°56'48"W 160.58' to an existing 1" pipe in the center of Norfolk Southern Railroad and in the line of MDI Management, Inc. (1471/669); thence with the center of said railroad S76°50'07"E 48.43' to an existing PK nail; thence S77°00'33"E 223.26' to an existing 5/8" rebar, said rebar being a common corner of Fiber & Yarn Products, Inc. (2057/1219); thence continuing with the C/L of said railroad S75°48'19"E 99.41' to a point; thence S69°23'11"E 144.00' to an existing 1 pinched pipe, said pipe being a common corner of National Furniture Distributors, Inc. (2193/1452); thence continuing with the C/L of said railroad S59°08'24"E 35.00' to a point; thence S54°16'02"E 100.00' to an existing RR spike; thence S44°42'04"E 47.32' to a point; thence S37°38'06"E 100.00' to a point; thence S29°21'56"E 100.00' to a point; thence S26°04'51"E 176.23' to an existing nail and cap; thence S26°31'09"E 158.32' to an existing nail and cap; thence S27°11'06"E 53.13' to an existing nail and cap; thence S26°40'09"E 63.44' to an existing 5/8" rebar, said rebar being a common corner of Agile Specialty, Inc. (1438/950); thence continuing with the C/L of said railroad S27°23'13"E 216.47' to an existing nail and cap; thence S25°48'08"E 138.60' to an

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BK 2915 PG 0067

existing nail and cap; said nail and cap being a common corner of Norfolk Southern Railway Co. (28/516); thence continuing with the C/L of said railroad S24°26'20"E 117.61' to the point and place of beginning containing 22.593 acres by coordinate computation as shown on a survey entitled "Century Leasing, LLC" as certified by Carl D. Bunton, PLS-3032 on May 15, 2008.

WEB



• File an Annual Report/Amend an Annual Report • Upload a PDF Filing • Order a Document Online • Add Entity to My Email Notification List • View Filings • Print a Pre-Populated Annual Report form • Print an Amended a Annual Report form

Limited Liability Company

Legal Name

Century Leasing, LLC

Information

SosId: 1040834

Status: Current-Active ⓘ

Date Formed: 4/29/2008

Citizenship: Domestic

Annual Report Due Date: April 15th

Current**Annual Report Status:**

Registered Agent: Hucks, Brandon M

Addresses

Mailing

401 11th Street NW
Hickory, NC 28601-4750

Principal Office

401 11th Street NW
Hickory, NC 28601-4750

Reg Office

401 11th Street NW
Hickory, NC 28601-4750

Reg Mailing

401 11th Street NW
Hickory, NC 28601-4750

Company Officials

All LLCs are managed by their managers pursuant to N.C.G.S. 57D-3-20.

Senior Vice President

Brandon M Hucks
PO Box 608
Hickory NC 28603-0608

Secretary

Brandon M Hucks
PO Box 608
Hickory NC 28603-0608

Treasurer

Brandon M Hucks
PO Box 608
Hickory NC 28603-0608

Assistant Secretary

Carrie Regan
P.O. Box 608
Hickory NC 28603

Assistant Treasurer

Melanie C Rosa
P.O. Box 608
Hickory NC 28603

President

A Alex Shuford , III
P.O. Box 608
Hickory NC 28603-0608



REALTOR® North Carolina Association of REALTORS®

COMMERCIAL LEASE AGREEMENT (Single Tenant Facility)

THIS LEASE AGREEMENT, including any and all addenda attached hereto ("Lease"), is by and between Century Leasing, LLC

a(n) NC limited liability company ("Landlord"), (individual or State of formation and type of entity)

whose address is PO Box 608, Hickory, NC 28603, and Century Furniture, LLC

a(n) NC limited liability company ("Tenant"), (individual or State of formation and type of entity)

whose address is PO Box 608, Hickory, NC 28603

If this box is checked, the obligations of Tenant under this Lease are secured by the guaranty of (name(s) of guarantor(s)) attached hereto and incorporated herein by reference.

(Note: Any guaranty should be prepared by an attorney at law.)

For and in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

PREMISES

1. Landlord leases unto Tenant, and Tenant hereby leases and takes upon the terms and conditions which hereinafter appear, the following described property, including any improvements located thereon (hereinafter called the "Premises"), to wit:

(Address): 401 11th Street NW, Hickory, NC 28601 consisting of approximately 762,746 square feet

All A portion of the property in Deed Reference: Book, Page No., County; consisting of approximately acres.

Plat Reference: Lot(s), Block or Section, as shown on Plat Book or Slide at Page(s), County, consisting of acres.

If this box is checked, Premises shall mean that property described on Exhibit A attached hereto and incorporated herewith by reference.

(For information purposes only, the tax parcel number of the Premises is:)

TERM

2. The term of this Lease shall commence on May 28, 2008, ("Lease Commencement Date"), and shall end at midnight on December 31, 2028, unless sooner terminated as herein provided. The first Lease Year Anniversary shall be the date twelve (12) calendar months after the first day of the first full month immediately following the Lease Commencement Date and successive Lease Year Anniversaries shall be the date twelve (12) calendar months from the previous Lease Year Anniversary.

If this box is checked, Tenant shall have the option of renewing this Lease, upon written notice given to Landlord at least days prior to the end of the then expiring term of this Lease, for additional term(s) of years each.

Option to Lease- If this box is checked, Tenant, upon the payment of the sum of \$ (which sum is not rental or security deposit hereunder, but is consideration for this Option to Lease and is non-refundable under any circumstances) shall have a

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period of _____ days prior to the Lease Commencement Date ("Option Period") in which to inspect the Premises and make inquiry regarding such sign regulations, zoning regulations, utility availability, private restrictions or permits or other regulatory requirements as Tenant may deem appropriate to satisfy itself as to the use of the Premises for Tenant's intended purposes. Tenant shall conduct all such on-site inspections, examinations, inquiries and other review of the Premises in a good and workmanlike manner, shall repair any damage to the Premises caused by Tenant's entry and on-site inspections and shall conduct same in a manner that does not unreasonably interfere with Landlord's or any tenant's use and enjoyment of the Premises. In that respect, Tenant shall make reasonable efforts to undertake on-site inspections outside of the hours any tenant's business is open to the public and shall give prior notice to any tenants of any entry onto any tenant's portion of the Premises for the purpose of conducting inspections. Upon Landlord's request, Tenant shall provide to Landlord evidence of general liability insurance. Tenant shall also have a right to review and inspect all contracts or other agreements affecting or related directly to the Premises and shall be entitled to review such books and records of Landlord that relate directly to the operation and maintenance of the Premises, provided, however, that Tenant shall not disclose any information regarding the Premises (or any tenant therein) unless required by law and the same shall be regarded as confidential, to any person, except to its attorneys, accountants, lenders and other professional advisors, in which case Tenant shall obtain their agreement to maintain such confidentiality. Tenant assumes all responsibility for the acts of itself, its agents or representatives in exercising its rights under this Option to Lease and agrees to indemnify and hold Seller harmless from any damages resulting therefrom. This indemnification obligation of Tenant shall survive the termination of this Option to Lease or this Lease. Tenant shall, at Tenant's expense, promptly repair any damage to the Premises caused by Tenant's entry and on-site inspections. **IF TENANT CHOOSES NOT TO LEASE THE PREMISES, FOR ANY REASON OR NO REASON, AND PROVIDES WRITTEN NOTICE TO LANDLORD THEREOF PRIOR TO THE EXPIRATION OF THE OPTION PERIOD, THEN THIS LEASE SHALL TERMINATE AND NEITHER PARTY SHALL HAVE ANY FURTHER OBLIGATIONS HEREUNDER AND LANDLORD SHALL RETURN TO TENANT ANY RENTAL OR SECURITY DEPOSIT PAID TO LANDLORD HEREUNDER.** Tenant shall be deemed to have exercised its Option to Lease and to be bound under the terms of this Lease if (i) Tenant shall occupy the Premises prior to the expiration of the Option Period, whereupon the date of occupancy shall be deemed the Lease Commencement Date, or (ii) Tenant shall not provide written notice to Landlord of its termination of this Lease prior to the expiration of the Option Period.

RENTAL

3. Beginning on May 28, 2008 ("Rent Commencement Date"), Tenant agrees to pay Landlord (or its Agent as directed by Landlord), without notice, demand, deduction or set off, an annual rental of \$ 404,255.00, payable in equal monthly installments of \$ 33,687.92, in advance on the first day of each calendar month during the term hereof. Upon execution of this Lease, Tenant shall pay to Landlord the first monthly installment of rent due hereunder. Rental for any period during the term hereof which is less than one month shall be the pro-rated portion of the monthly installment of rental due, based upon a 30 day month.

If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every _____ Lease Year Anniversary by _____ % over the amount then payable hereunder. In the event renewal of this Lease is provided for in paragraph 2 hereof and effectively exercised by Tenant, the rental adjustments provided herein shall apply to the term of the Lease so renewed, or

If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every _____ Lease Year Anniversary by \$ _____ over the amount then payable hereunder. In the event renewal of this Lease is provided for in paragraph 2 hereof and effectively exercised by Tenant, the rental adjustments provided herein shall apply to the term of the Lease so renewed,

If this box is checked, Tenant shall pay all rental to Landlord's Agent at the following address:

LATE CHARGES

4. If Landlord fails to receive full rental payment within _____ days after it becomes due, Tenant shall pay Landlord, as additional rental, a late charge equal to _____ percent _____ (%) of the overdue amount or \$ _____ whichever is greater, plus any actual bank fees incurred for dishonored payments. The parties agree that such a late charge represents a fair and reasonable estimate of the cost Landlord will incur by reason of such late payment.

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the cost of all commercial general liability, broad form fire and extended and special perils insurance with respect to the Premises.

Provided, however, that in the event Tenant's use of the Premises results in an increase in the rate of insurance on the Premises, Tenant also shall pay to Landlord, upon demand and as additional rental, the amount of any such increase.

If this box is checked, Tenant shall reimburse Landlord for insurance by paying to Landlord, beginning on the Rent Commencement Date and on the first day of each calendar month during the term hereof, an amount equal to one-twelfth (1/12) of the then current insurance premiums for the Premises. Upon receipt of bills, statements or other evidence of insurance premiums due, Landlord shall pay or cause to be paid the insurance premiums. If at any time the reimbursement payments by Tenant hereunder do not equal the amount of insurance premiums paid by Landlord, Tenant shall upon demand pay to Landlord an amount equal to the deficiency or Landlord shall refund to Tenant any overpayment (as applicable) as documented by Landlord. Landlord shall have no obligation to segregate or otherwise account for the insurance premium reimbursements paid hereunder except as provided in this paragraph 9.

(Note: The following box should only be checked if there are no boxes checked above in this paragraph 9.)

If this box is checked, Tenant shall have no responsibility to reimburse Landlord for taxes or insurance.

INSURANCE; WAIVER; INDEMNITY

10. (a) During the term of this Lease, Tenant shall maintain commercial general liability insurance coverage (occurrence coverage) with broad form contractual liability coverage and with coverage limits of not less than 2,000,000.00 combined single limit, per occurrence, ~~specifically including liquor liability insurance covering consumption of alcoholic beverages by customers of Tenant should Tenant choose to sell alcoholic beverages.~~ Such policy shall insure Tenant's performance of the indemnity provisions of this Lease, but the amount of such insurance shall not limit Tenant's liability nor relieve Tenant of any obligation hereunder. All policies of insurance provided for herein shall name as "additional insureds" Landlord, Landlord's Agent, all mortgagees of Landlord and such other individuals or entities as Landlord may from time to time designate upon written notice to Tenant. Tenant shall provide to Landlord, at least thirty (30) days prior to expiration, certificates of insurance to evidence any renewal or additional insurance procured by Tenant. Tenant shall provide evidence of all insurance required under this Lease to Landlord prior to the Lease Commencement Date.

(b) Landlord (for itself and its insurer) waives any rights, including rights of subrogation, and Tenant (for itself and its insurer) waives any rights, including rights of subrogation, each may have against the other for compensation of any loss or damage occasioned to Landlord or Tenant arising from any risk generally covered by the "all risks" insurance required to be carried by Landlord and Tenant. The foregoing waivers of subrogation shall be operative only so long as available in the State of North Carolina. The foregoing waivers shall be effective whether or not the parties maintain the insurance required to be carried pursuant to this Lease.

(c) Except as otherwise provided in paragraph 10(b), Tenant indemnifies Landlord for damages proximately caused by the negligence or wrongful conduct of Tenant and Tenant's employees, agents, invitees or contractors. Except as otherwise provided in paragraph 10(b), Landlord indemnifies Tenant for damages proximately caused by the negligence or wrongful conduct of Landlord and Landlord's employees, agents, invitees or contractors. The indemnity provisions in this paragraph 10 cover personal injury and property damage and shall bind the employees, agents, invitees or contractors of Landlord and Tenant (as the case may be). The indemnity obligations in this paragraph 10 shall survive the expiration or earlier termination of this Lease.

REPAIRS BY LANDLORD Landlord shall have no obligation to make any repairs.

~~11. Landlord agrees to keep in good repair the roof, foundation, structural supports and exterior walls of the Premises (exclusive of all glass and exclusive of all exterior doors), except repairs rendered necessary by the negligence or intentional wrongful acts of Tenant, its employees, agents, invitees or contractors. Tenant shall promptly report in writing to Landlord any defective condition known to it which Landlord is required to repair and failure to report such conditions shall make Tenant responsible to Landlord for any liability incurred by Landlord by reason of such conditions.~~

REPAIRS BY TENANT

12. Tenant accepts the Premises in their present condition and as suited for the Permitted Use and Tenant's intended purposes. Tenant, throughout the initial term of this Lease, and any extension or renewal thereof, at its expense, shall maintain in good order and repair the Premises, including any building and other improvements located thereon, ~~except those repairs expressly required to be~~

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made by Landlord hereunder. Tenant further agrees to care for the grounds around the building, including the mowing of grass, care of shrubs and general landscaping.

(a) Tenant, at its expense, also shall maintain in good order and repair the heating, ventilation and air conditioning equipment, including but not limited to replacement of parts, compressors, air handling units and heating units; provided that, as to repair or replacement expenses for heating, ventilation and air conditioning equipment in excess of \$ _____ (per occurrence) or \$ _____ (annually), Landlord shall reimburse Tenant for the amount in excess of the stated amount, provided that Tenant has obtained Landlord's prior written approval of the contractor and the repair or replacement.

(b) Tenant shall use only licensed contractors for repairs where such license is required. Landlord shall have the right to approve the contractor as to any repairs in excess of \$ 5,000.00 per occurrence.

Tenant agrees to return the Premises to Landlord at the expiration or prior termination of this Lease, in as good condition and repair as on the Lease Commencement Date, natural wear and tear, damage by storm, fire, lightning, earthquake or other casualty alone excepted. Tenant, Tenant's employees, agents, invitees or contractors shall take no action which may void any manufacturers or installers warranty with relation to the Premises. Tenant shall indemnify and hold Landlord harmless from any liability, claim, demand or cause of action arising on account of Tenant's breach of the provisions of this paragraph 12.

ALTERATIONS

13. Tenant shall not make any alterations, additions, or improvements to the Premises without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall promptly remove any alterations, additions, or improvements constructed in violation of this paragraph 13 upon Landlord's written request. All approved alterations, additions, and improvements will be accomplished in a good and workmanlike manner, in conformity with all applicable laws and regulations, and by a contractor approved by Landlord, free of any liens or encumbrances. Landlord may require Tenant to remove any alterations, additions or improvements (whether or not made with Landlord's consent) at the termination of the Lease and to restore the Premises to its prior condition, all at Tenant's expense. All alterations, additions and improvements which Landlord has not required Tenant to remove shall become Landlord's property and shall be surrendered to Landlord upon the termination of this Lease, except that Tenant may remove any of Tenant's machinery, equipment or trade fixtures which can be removed without material damage to the Premises. Tenant shall repair, at Tenant's expense, any damage to the Premises caused by the removal of any such machinery, equipment or trade fixtures.

DESTRUCTION OF OR DAMAGE TO PREMISES

14. (a) If the Premises are totally destroyed by storm, fire, lightning, earthquake or other casualty, Landlord shall have the right to terminate this Lease on written notice to Tenant within thirty (30) days after such destruction and this Lease shall terminate as of the date of such destruction and rental shall be accounted for as between Landlord and Tenant as of that date.

(b) If the Premises are damaged but not wholly destroyed by any such casualties or if the Landlord does not elect to terminate the Lease under paragraph 14(a) above, Landlord shall commence (or shall cause to be commenced) reconstruction of the Premises within one hundred twenty (120) days after such occurrence and prosecute the same diligently to completion, not to exceed two hundred seventy (270) days from the date upon which Landlord receives applicable permits and insurance proceeds. In the event Landlord shall fail to substantially complete reconstruction of the Premises within said two hundred seventy (270) day period, Tenant's sole remedy shall be to terminate this Lease.

(c) In the event of any casualty at the Premises during the last one (1) year of the Lease Term, Landlord ~~and Tenant each~~ shall have the option to terminate this Lease on written notice to the other of exercise thereof within sixty (60) days after such occurrence.

(d) In the event of reconstruction of the Premises, Tenant shall continue the operation of its business in the Premises during any such period to the extent reasonably practicable from the standpoint of prudent business management, and the obligation of Tenant to pay annual rental and any other sums due under this Lease shall remain in full force and effect during the period of reconstruction, ~~The annual rental and other sums due under this Lease shall be abated proportionately with the degree to which Tenant's use of the Premises is impaired, commencing from the date of destruction and continuing during the period of such reconstruction.~~ ^{without abatement} Tenant shall not be entitled to any compensation or damages from Landlord for loss of use of the whole or any part of the Premises, Tenant's personal property, or any inconvenience or annoyance occasioned by such damage, reconstruction or replacement.

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fails to comply with or abide by and perform any non-monetary obligation imposed upon Tenant under this Lease within thirty (30) days after written notice of such breach; (d) Tenant is adjudicated bankrupt; (e) A permanent receiver is appointed for Tenant's property and such receiver is not removed within sixty (60) days after written notice from Landlord to Tenant to obtain such removal; (f) Tenant, either voluntarily or involuntarily, takes advantage of any debt or relief proceedings under any present or future law, whereby the rent or any part thereof is, or is proposed to be, reduced or payment thereof deferred and such proceeding is not dismissed within sixty (60) days of the filing thereof; (g) Tenant makes an assignment for benefit of creditors; or (h) Tenant's effects are levied upon or attached under process against Tenant, which is not satisfied or dissolved within thirty (30) days after written notice from Landlord to Tenant to obtain satisfaction thereof.

REMEDIES UPON DEFAULT

19. Upon the occurrence of Event of Default, Landlord may pursue any one or more of the following remedies separately or concurrently, without prejudice to any other remedy herein provided or provided by law: (a) Landlord may terminate this Lease by giving written notice to Tenant and upon such termination shall be entitled to recover from Tenant damages as may be permitted under applicable law; or (b) Landlord may terminate this Lease by giving written notice to Tenant and, upon such termination, shall be entitled to recover from the Tenant damages in an amount equal to all rental which is due and all rental which would otherwise have become due throughout the remaining term of this Lease, or any renewal or extension thereof (as if this Lease had not been terminated); or (c) Landlord, as Tenant's agent, without terminating this Lease, may enter upon and rent the Premises, in whole or in part, at the best price obtainable by reasonable effort, without advertisement and by private negotiations and for any term Landlord deems proper, with Tenant being liable to Landlord for the deficiency, if any, between Tenant's rent hereunder and the price obtained by Landlord on reletting, provided however, that Landlord shall not be considered to be under any duty by reason of this provision to take any action to mitigate damages by reason of Tenant's default and expressly shall have no duty to mitigate Tenant's damages. No termination of this Lease prior to the normal ending thereof, by lapse of time or otherwise, shall affect Landlord's right to collect rent for the period prior to termination thereof.

EXTERIOR SIGNS

20. Tenant shall place no signs upon the outside walls, doors or roof of the Premises, except with the express written consent of the Landlord in Landlord's sole discretion. Any consent given by Landlord shall expressly not be a representation of or warranty of any legal entitlement to signage at the Premises. Any and all signs placed on the Premises by Tenant shall be maintained in compliance with governmental rules and regulations governing such signs and Tenant shall be responsible to Landlord for any damage caused by installation, use or maintenance of said signs, and all damage incident to removal thereof.

LANDLORD'S ENTRY OF PREMISES

21. Landlord may advertise the Premises "For Rent" or "For Sale" 180 days before the termination of this Lease. Landlord may enter the Premises upon prior notice at reasonable hours to exhibit same to prospective purchasers or tenants, to make repairs required of Landlord under the terms hereof, for reasonable business purposes and otherwise as may be agreed by Landlord and Tenant. Landlord may enter the Premises at any time without prior notice, in the event of an emergency or to make emergency repairs to the Premises. Upon request of Landlord, Tenant shall provide Landlord with a functioning key to the Premises and shall replace such key if the locks to the Premises are changed.

QUIET ENJOYMENT

22. So long as Tenant observes and performs the covenants and agreements contained herein, it shall at all times during the Lease term peacefully and quietly have and enjoy possession of the Premises, subject to the terms hereof.

HOLDING OVER

23. If Tenant remains in possession of the Premises after expiration of the term hereof, Tenant shall be a tenant at sufferance and there shall be no renewal of this Lease by operation of law. In such event, commencing on the date following the date of expiration of the term, the monthly rental payable under Paragraph 3 above shall for each month, or fraction thereof during which Tenant so remains in possession of the Premises, be twice the monthly rental otherwise payable under Paragraph 3 above.

ENVIRONMENTAL LAWS

24. (a) Tenant covenants that with respect to any Hazardous Materials (as defined below) it will comply with any and all federal, state or local laws, ordinances, rules, decrees, orders, regulations or court decisions relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under or about the Premises or soil and ground water conditions, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act, the Hazardous Materials Transportation Act, any other legal requirement concerning hazardous or toxic substances, and any amendments to the foregoing (collectively, all such matters being "Hazardous Materials

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Requirements"). Tenant shall remove all Hazardous Materials from the Premises, either after their use by Tenant or upon the expiration or earlier termination of this Lease, in compliance with all Hazardous Materials Requirements.

(b) Tenant shall be responsible for obtaining all necessary permits in connection with its use, storage and disposal of Hazardous Materials, and shall develop and maintain, and where necessary file with the appropriate authorities, all reports, receipts, manifest, filings, lists and invoices covering those Hazardous Materials and Tenant shall provide Landlord with copies of all such items upon request. Tenant shall provide within five (5) days after receipt thereof, copies of all notices, orders, claims or other correspondence from any federal, state or local government or agency alleging any violation of any Hazardous Materials Requirements by Tenant, or related in any manner to Hazardous Materials. In addition, Tenant shall provide Landlord with copies of all responses to such correspondence at the time of the response.

(c) Tenant hereby indemnifies and holds harmless Landlord, its successors and assigns from and against any and all losses, liabilities, damages, injuries, penalties, fines, costs, expenses and claims of any and every kind whatsoever (including attorney's fees and costs) paid, incurred or suffered by, or asserted against Landlord as a result of any claim, demand or judicial or administrative action by any person or entity (including governmental or private entities) for, with respect to, or as a direct or indirect result of, the presence on or under or the escape, seepage, leakage, spillage, discharge, emission or release from the Premises of any Hazardous Materials caused by Tenant or Tenant's employees, agents, invitees or contractors. This indemnity shall also apply to any release of Hazardous Materials caused by a fire or other casualty to the premises if such Hazardous Materials were stored on the Premises by Tenant, its agents, employees, invitees or successors in interest.

(d) For purposes of this Lease, "Hazardous Materials" means any chemical, compound, material, substance or other matter that: (i) is defined as a hazardous substance, hazardous material or waste, or toxic substance pursuant to any Hazardous Materials Requirements, (ii) is regulated, controlled or governed by any Hazardous Materials Requirements, (iii) is petroleum or a petroleum product, or (iv) is asbestos, formaldehyde, a radioactive material, drug, bacteria, virus, or other injurious or potentially injurious material (by itself or in combination with other materials).

(e) The warranties and indemnities contained in this paragraph 24 shall survive the termination of this Lease.

SUBORDINATION; ATTORNMENT; ESTOPPEL

25. (a) This Lease and all of Tenant's rights hereunder are and shall be subject and subordinate to all currently existing and future mortgages affecting the Premises. Within ten (10) days after the receipt of a written request from Landlord or any Landlord mortgagee, Tenant shall confirm such subordination by executing and delivering Landlord and Landlord's mortgagee a recordable subordination agreement and such other documents as may be reasonably requested, in form and content satisfactory to Landlord and Landlord's mortgagee. Provided, however, as a condition to Tenant's obligation to execute and deliver any such subordination agreement, the applicable mortgagee must agree that mortgagee shall not unilaterally, materially alter this Lease and this Lease shall not be divested by foreclosure or other default proceedings thereunder so long as Tenant shall not be in default under the terms of this Lease beyond any applicable cure period set forth herein. Tenant acknowledges that any Landlord mortgagee has the right to subordinate at any time its interest in this Lease and the leasehold estate to that of Tenant, without Tenant's consent.

(b) If Landlord sells, transfers, or conveys its interest in the Premises or this Lease, or if the same is foreclosed judicially or nonjudicially, or otherwise acquired, by a Landlord mortgagee, upon the request of Landlord or Landlord's successor, Tenant shall attorn to said successor, provided said successor accepts the Premises subject to this Lease. Tenant shall, upon the request of Landlord or Landlord's successor, execute an attornment agreement confirming the same, in form and substance acceptable to Landlord or Landlord's successor and Landlord shall thereupon be released and discharged from all its covenants and obligations under this Lease, except those obligations that have accrued prior to such sale, transfer or conveyance; and Tenant agrees to look solely to the successor in interest of Landlord for the performance of those covenants accruing after such sale, transfer or conveyance. Such agreement shall provide, among other things, that said successor shall not be bound by (a) any prepayment of more than one (1) month's rental (except the Security Deposit) or (b) any material amendment of this Lease made after the later of the Lease Commencement Date or the date that such successor's lien or interest first arose, unless said successor shall have consented to such amendment.

(c) Within ten (10) days after request from Landlord, Tenant shall execute and deliver to Landlord an estoppel certificate (to be prepared by Landlord and delivered to Tenant) with appropriate facts then in existence concerning the status of this Lease and Tenant's occupancy, and with any exceptions thereto noted in writing by Tenant. Tenant's failure to execute and deliver the Estoppel Certificate within said ten (10) day period shall be deemed to make conclusive and binding upon Tenant in favor of Landlord and any potential mortgagee or transferee the statements contained in such estoppel certificate without exception.

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IN WITNESS WHEREOF, the parties hereto have hereunto caused this Lease to be duly executed.

LANDLORD:

Individual

Business Entity

_____ (SEAL)

_____ **Century Leasing, LLC**
(Name of Firm)

_____ (SEAL)

By: *[Signature]* (SEAL)

Date: _____

Title: *Treanna*

TENANT:

Individual

Business Entity

_____ (SEAL)

_____ **Century Furniture, LLC**
(Name of Firm)

_____ (SEAL)

By: *[Signature]* (SEAL)

Date: _____

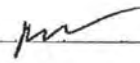
Title: *Treanna*

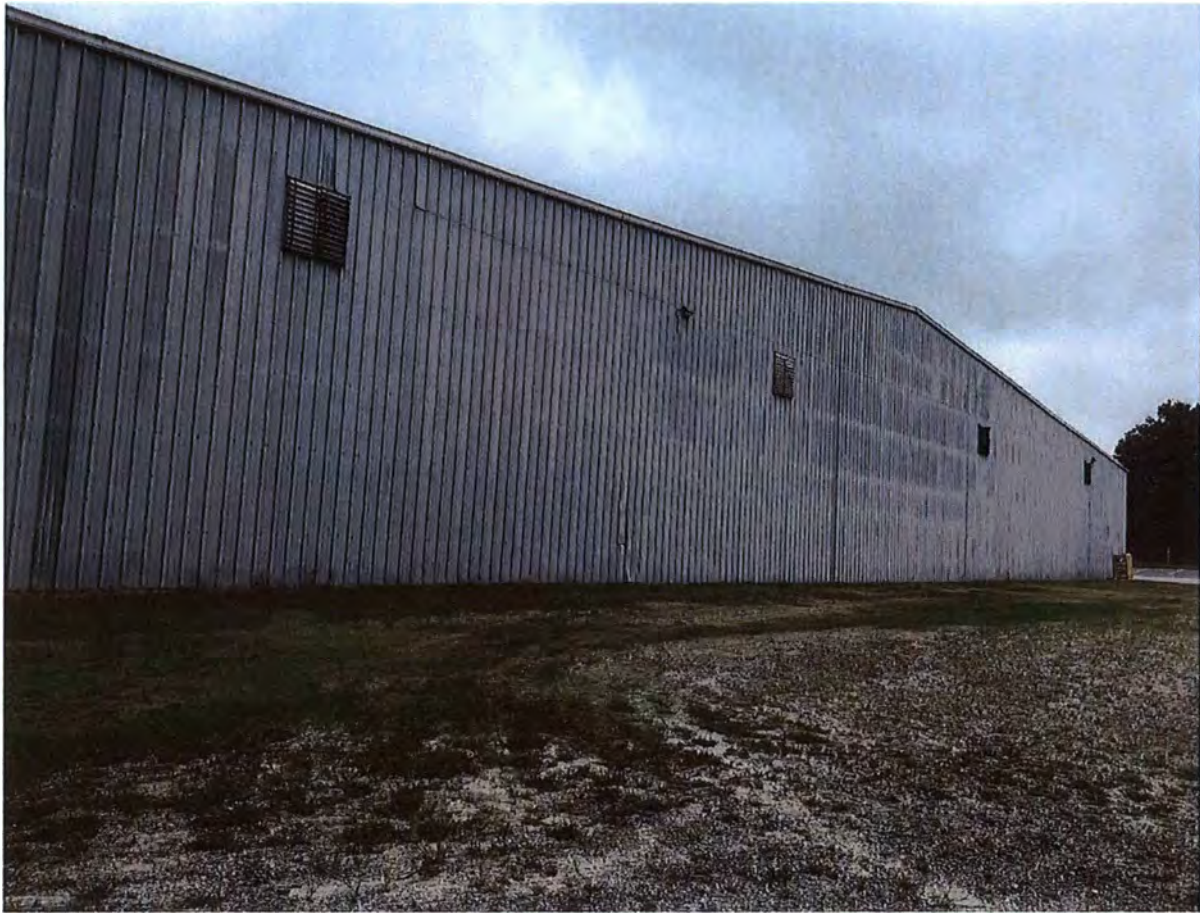
Tenant Initials *[Signature]* Landlord Initials *[Signature]*

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Exhibit B
to
Commercial Lease Agreement
by and between
Century Leasing, LLC (Landlord)
and
Century Furniture, LLC (Tenant)
Property: 401 11th Street NW, Hickory, NC 28601

The amount of rental due hereunder shall be subject to an increase in the event that the Landlord's debt service payment to West Coast Life Insurance Company shall be increased pursuant to the term of that certain Promissory Note or Deed of Trust dated _____, 2008. The monthly rent shall increase the dollar for dollar by the amount of increase in the monthly payment. Landlord shall give Tenant notice of any such increases, and the rent shall be increased retroactively to the date of increase in the monthly debt service payment.









Whitmire Decorating/WDC, Inc.

Post Office Box 513
Conover, NC 28613

WBE (Woman Owned)

(828) 464-8865

1968 - 2020

HUB Certified

wdc1@charter.net

CERTIFIED LEAD, ASBESTOS, MOLD AND DEMOLITION CONTRACTOR
Crews in Asheville, Charlotte, Hickory, Williamston & Winston-Salem

PROJECT: Century Furniture - Exterior Painting - Warehouse

BID DATE: October 7, 2021

① Pressure wash, prep, caulk, prime metal wall panels on each end of the warehouse -

Labor and material - \$7,983.00

③ Pressure wash, prep, caulk, prime rear of warehouse -

Labor and material - 12,987.00

*Lift for rear - \$2,500.00

15,487 <

② Prep, prime and paint front canopy, gutters and downspouts -

Labor and material - \$8,983.00

*Tow behind lift for sides and front work - \$2,500.00

11,483 <

Canopy roof not quoted.

Total if we do all work above - \$34,953.00

Shaun McClain

Commercial Painting, VWC, Lead-Asbestos-Mold Abatement, Brick Restoration, Waterproofing & Caulking



Project: Century Furniture

Date: July 26, 2021

Re: Case goods warehouse- Exterior painting

Proposal Number: 21-474

This proposal includes all labor, materials, and equipment to complete painting of exterior of the Century Furniture Case Goods warehouse. All corrugated metal wall panels, metal trim, gutters, and downspouts will be painted as follows.

Areas of work:

- 1- Left and right ends- metal panels and rake edge trim
- 2- Rear of building- metal panels, gutters, and down spouts
- 3- Canopy at shipping- underside support structure and ceiling panels, gutters, and downspouts along entire front elevation.
- 4- Canopy roof top- metal panels

Painting Scope of work: Metal panels, gutters, and downspouts

Cleaning – all surfaces will be pressure washed with minimum 3500 PSI to remove chalking and failing coatings. We will also use environmentally friendly detergents and bleach to aid in the cleaning of the building. The detergents will not harm plants or animals. We use the pressure to aid in removal of failing coatings.

Prep - this step is critical to a lasting paint finish. Paint failure must be dealt with properly to have good longevity with the new coatings. Scraping and sanding of peeling areas will be completed as needed to smooth the surface for a better appearance. We will not try to remove old paint that seems to be adhering properly but will certainly prepare any peeling areas to the extent that we are comfortable that we have failing paint removed. We will sand those peeling areas to a tightly adherent feathered edge.

Priming- surfaces will be primed as needed with acrylic rust inhibitive primer for metal.

Painting- all metal surfaces will receive two coats of PPG Pittech EDF Premium DTM acrylic coating. Pittech has a satin/matte finish much like the original metal panel factory finish.

Pricing:

- 1- Left and right ends- \$17,950.00
- 2- Rear of Building- \$19,900.00
- 3- Canopy at shipping- \$17,250.00

55,100 + 7200 for canopy roof = 62,300

2/3 = reduce by 1,500

2/3
3/3
4/3



NOTE: if at least 2 of the 3 sections is awarded we can discount the pricing by \$1500.00 due to savings with lift rentals.

Roof coating Scope of work: Canopy roof

Cleaning- Power wash roof 3500 PSI and environmentally friendly detergents. This helps clean the roof but also remove loose rust and flaking paint.

Prep- inspect all fasteners and replace missing or loose fasteners with large Fat boys or stitch screws as needed.

Primer- all surface will be fully primed with ASTEC B-16 rust inhibitive primer applied at $\frac{1}{2}$ to $\frac{3}{4}$ gallon per 100 square feet.

Sealants- all fasteners and seams will be sealed and waterproofed with ASTEC #9 sealant and butyl tape as needed.

Finish coats- Apply two coats of ASTEC Finish 2000 at 100 square feet per gallon per coat. Total dry film thickness will be approximately 20 dry mils in the field of the roof and approximately 60 mils over seams and fasteners.

Pricing:

4- Canopy roof- \$7200.00

Howard, Thank you for calling us about this project. I can be reached with any questions at 828-326-0953.

Joe Brindle

E-VERIFY ADDENDUM
CORPORATIONS

Corporation hereby acknowledges that "E-Verify" is the federal E-Verify program operated by the US Department of Homeland Security and other federal agencies which is used to verify the work authorization of newly hired employees pursuant to federal law and in accordance with Article 2, Chapter 64 of the North Carolina General Statutes. Corporation further acknowledges that all employers, as defined by Article 2, Chapter 64 of the North Carolina General Statutes, must use E-Verify and after hiring an employee to work in the United States, shall verify the work authorization of the employee through E-Verify in accordance with NCGS §64-26(a). Corporation hereby pledges, attests and warrants through execution of this Agreement that Corporation complies with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes and further pledges, attests and warrants that any third party corporations currently employed by or subsequently hired by Corporation shall comply with any and all E-Verify requirements. Failure to comply with the above requirements shall be considered a breach of this Agreement.

7

Exhibit VIII.C.

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Office of Business Development, Planning Division

Contact Person: Brian Frazier, Planning Director

Date: February 3, 2022

Re: Voluntary non-contiguous annexation of property owned by Earl Errand Propst Heirs.

REQUEST

Call for public hearing to be held on March 1, 2022 for the consideration of the voluntary non-contiguous annexation of 47.40 acres of property located on Section House Road between 34th Street Place NE and Sipe Road. This property is identified as PIN 3723-08-89-6240.

BACKGROUND

The Earl Errand Propst Heirs have petitioned for the voluntary non-contiguous annexation of 47.40 acres of property located on Section House Road Between 34th Street Place NE and Sipe Road. The subject property is currently located in both Hickory's ETJ and Catawba County's jurisdiction and zoned R-1 and R-20 Residential. The annexation is being requested to gain access to city services.

ANALYSIS

The subject property is currently zoned R-1 Residential by Hickory and R-20 Residential by Catawba County and is 47.40 acres in total size. Both current zoning districts permit residential uses at a density of two (2) dwelling units per acre.

The subject property is currently vacant; however, the intention is to develop the property for the construction of a residential subdivision. If annexed, the applicants have requested the property be zoned R-2 Residential. If zoned R-2 Residential, the property could be developed for single-family detached residences at a rate of four (4) units per acre. Given the property's size, future development could theoretically produce 189 dwelling units.

The current tax value of the property is \$296,300.00. If annexed with its present value, the property would generate additional tax revenues of \$1,859.00.

Upon analysis, staff has determined the petition meets the statutory requirements for voluntary contiguous annexation, and adequate public services are available.

RECOMMENDATION

Staff finds the petition to be in conformity with applicable statutes and recommends approval of the petition.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Reviewed by:

Brian Frazier *BMF* 2/03/2022
 Initiating Department Head Date
Rodney Miller 2/8/22
 Asst. City Manager R. Miller Date
Melvin Miller 2/4/22
 Finance Officer, M. Miller Date

 Date

Amanda M. Dula 2-4-22
 Deputy City Attorney, A. Dula Date
Rodney Miller 2/7/22
 Asst. City Manager, R. Beasley Date
Cameron McHargue 2-7-22
 Deputy Finance Officer,
 Cameron McHargue Date

Recommended for approval and placement on _____ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

WW
 City Manager, Warren Wood
2-8-22
 Date

VOLUNTARY NON-CONTIGUOUS ANNEXATION ANALYSIS

APPLICANT: Earl Propst, Heirs

PROPERTY LOCATION (See Map 1): Section House Road between 34th Street Place NE and Sipe Road.

PINS: 3723-08-89-6240

WARD: The subject property is nearest to Ward 3 (Councilman Seaver).

REQUESTED ACTION: The request is for voluntary non-contiguous annexation.

ACREAGE: 47.40 acres

DEVELOPMENT POTENTIAL: The subject property is currently zoned R-1 Residential by Hickory and R-20 Residential by Catawba County and is 47.40 acres in total size. Both current zoning districts permit residential uses at a density of two (2) dwelling units per acre.

The subject property is currently vacant; however, the intention is to develop the property for the construction of a residential subdivision. If annexed, the applicants have requested the property be zoned R-2 Residential. If zoned R-2 Residential, the property could be developed for single-family detached residences at a rate of four (4) units per acre. Given the property's size, future development could theoretically produce 189 dwelling units.

TAX VALUE: The current tax value of the property is \$296,300.00. If annexed with its present value, the property would generate additional tax revenues of \$1,859.00.

POPULATION INCREASES: The subject property is proposed to be developed as a residential subdivision, that could potentially contain 189 dwellings. Current estimates for Hickory indicate single-family residences contain 2.35 occupants. Given the occupancy estimate and the number of units, the development could increase the City's population by 444 residents.

SCHOOL DISTRICTS: The property is located within the jurisdictional area of the Catawba County Public School System, and located in the following school districts:

School Type	School District	Student Multiplier Per Dwelling	Number of Potential Dwelling Units	Potential Additional Students
Elementary	Snow Creek	0.21	189	40
Middle	Arndt	0.09	189	17
High	St. Stephens	0.13	189	25

**Note: The student multipliers above reflect numbers for single-family dwellings only*

SURROUNDING LAND USE AND ZONING (See Maps 2 & 3):

- **North:** The properties are zoned R-20 Residential and are either occupied by single-family residences or vacant.
- **South:** The properties are zoned R-1 Residential and are occupied by single-family residence.
- **East:** The properties are zoned R-20 Residential and are either occupied by single-family residences or vacant.
- **West:** The properties are zoned R-1 and R-20 Residential and are either occupied by single-family residences or vacant.

UTILITY SERVICE: Both water and sewer are available to the property. The future developer is responsible for extending any additional lines to serve the proposed development.

ACCESS: Access to the subject property will be from Section House Road (SR 1491), which is maintained by the North Carolina Department of Transportation.

DISTANCE FROM CITY LIMITS (See Map 1): The annexation area is approximately 4,900 linear feet (0.92 miles) northeast of the existing proper city boundary.

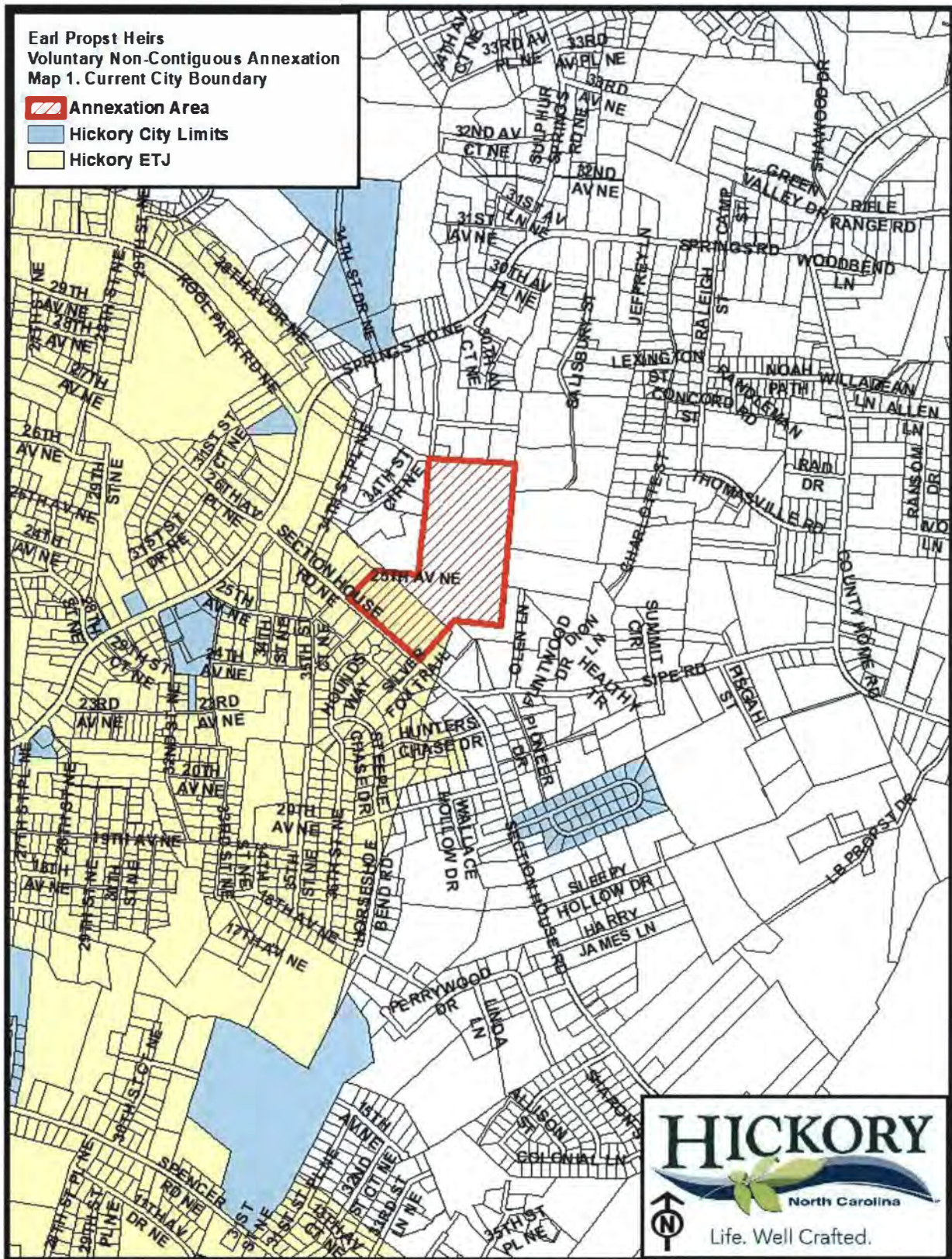
STAFF COMMENTS:

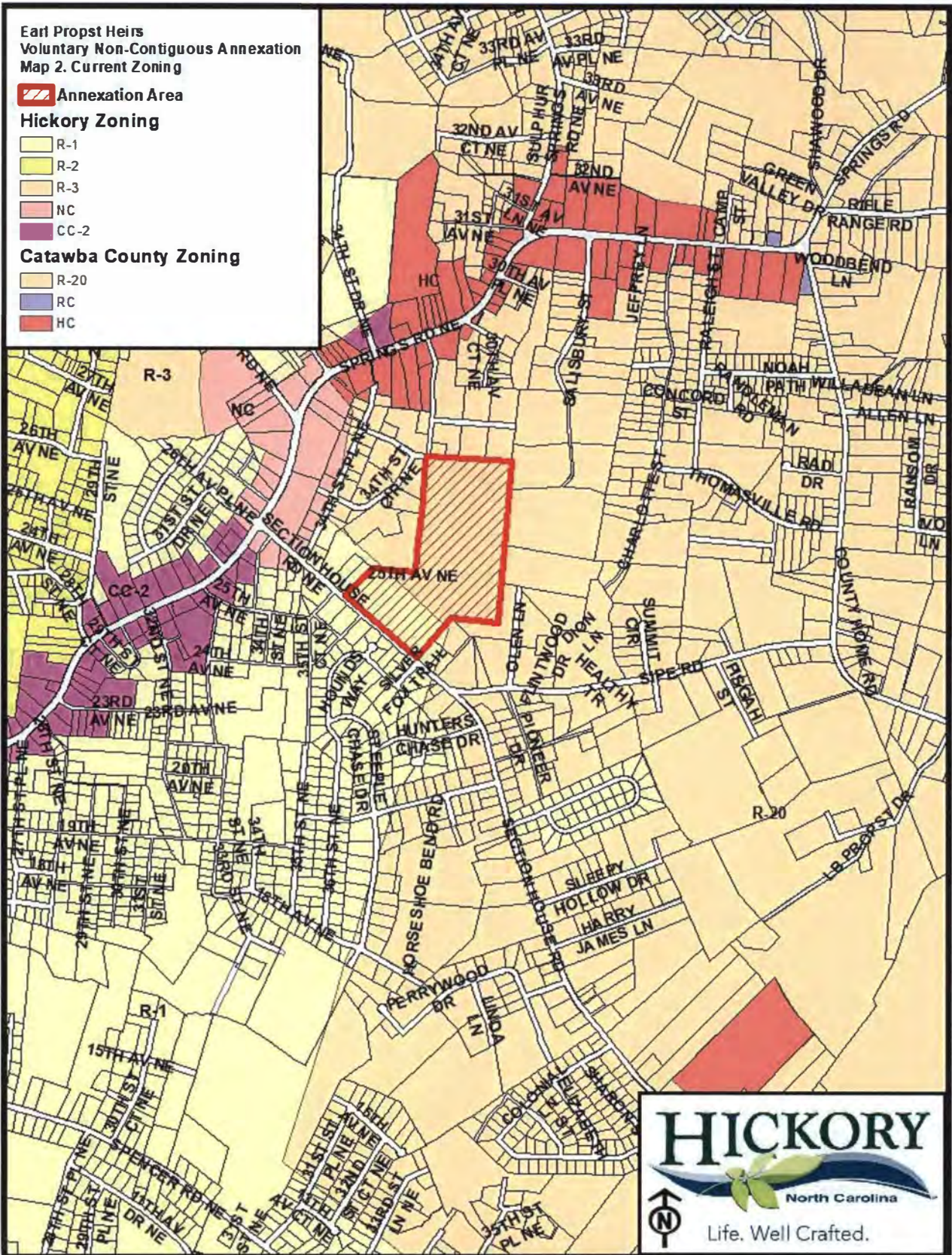
- **Fire:** Annexation of this property would not adversely affect the operations of the fire department at this time. Property is currently in HFD Station 2's response area and will remain in such with no changes.
- **Police Department:** Annexation would not adversely affect the police department. The properties, upon annexation, would be in Baker PACT.
- **Transportation / Engineering:** No objections.
- **Planning:** No objections.
- **Public Services:** No objections.
- **Public Utilities:** City of Hickory water and sewer utilities are available to the property. The future developer is responsible for extending any additional lines to serve the proposed development.
- **Legal:** No objections.
- **City Manager's Office:** No objections.

STAFF RECOMMENDATION: Upon evaluation staff has found the following:

1. The voluntary contiguous annexation petition complies with all applicable statutes regarding the voluntary annexation of contiguous property.
2. Adequate public services are available in sufficient quantities to properly serve the subject properties.
3. The annexation of the properties will not cause available public services to fall below acceptable levels.

Based upon the findings provided above, staff recommends City Council approve the voluntary contiguous annexation petition.







RESOLUTION NO. 22-____
RESOLUTION DIRECTING THE CLERK TO INVESTIGATE A PETITION RECEIVED
UNDER G.S. 160A-31 AND/OR 160A-58.1, AS AMENDED

WHEREAS, a petition from Earl Errand Propst Heirs requesting annexation of an area described in a petition was received on February 1, 2022 by the City Council of the City of Hickory; and

WHEREAS, G.S. 160A-31 and G.S. 160A-58.1 provide that the sufficiency of the petition shall be investigated by the Clerk before further annexation proceedings may take place; and

WHEREAS, the City Council of the City of Hickory deems it advisable to proceed in response to this request for annexation.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HICKORY:

THAT, the Clerk is hereby directed to investigate the sufficiency of the above-described petition and to certify as soon as possible to the City Council the result of her investigation.

CERTIFICATE OF SUFFICIENCY

TO THE CITY COUNCIL OF THE CITY OF HICKORY, NORTH CAROLINA:

I, Debbie D. Miller, City Clerk, do hereby certify that I have investigated the petition attached hereto and have found as a fact that said petition is signed by all owners of real property lying in the area described therein, in accordance with G.S. 160A-31 and/or G.S. 160A-58.1, as amended:

Located on Section House Road, between 34th Street Place NE and Sipe Road, Containing
Approximately 47.40 acres more or less, PIN 3723-08-89-6240

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hickory this 1st day of February, 2022.



Debbie D. Miller
Debbie D. Miller, City Clerk

**CITY OF HICKORY
APPLICATION FOR VOLUNTARY ANNEXATION**

DATE SUBMITTED: 1-31-2022

TO THE CITY COUNCIL OF THE CITY OF HICKORY, NORTH CAROLINA:

I (We), the undersigned, do hereby respectfully make application and petition for voluntary annexation into the municipal limits of the City of Hickory, and have provided an annexation plat meeting the requirements of the City of Hickory

1. The property be voluntarily annexed is located on Section House Road
between 34th St. Pl. NE and Sipe Road
and is shown in more detail on the attached survey.

PIN NO. (S): 3723-08-89-6240

Physical (Street) Address: 2520 Section House Road, Hickory, NC 28601

2. The property is owned by: (please print) Propst Earl Errand Heirs
(Attach a copy of the most recent deed, contract for purchase or other legal interest demonstrating an interest in the property.)

Owner Information:

Name: Power of Attorneys are Tamara Coley, Phil Barton and Kenneth Turnmyre

Address: 1632 4th Street NW

Phone Number: 828.238.1157

3. The petition is submitted by: John R. McCormick Contracting, LLC
(If the Petition is submitted by someone other than the owner, the attached agent authorization must be signed, notarized and submitted from the owner(s) authorizing the agent to act on his behalf.)

Agent Information:

Name: John R. McCormick

Address: 115 Ashmore Circle, Troutman, NC 28166

Phone Number: 412.608.8709

4. If annexation is approved by the Hickory City Council, and if the property(s) is not currently zoned by the City of Hickory, the applicant would request that the property be placed into a R-2 zoning district.

5. WATER AND SEWER AVAILABILTY AND CONNECTIONS

We, the undersigned property owner(s), herby understand and agree we shall be responsible for all costs associated with providing for extensions and/or connections to the City of Hickory public utility system (water and sewer). This includes all design, permitting, construction, legal and applicable City of Hickory Tap Fees. Furthermore, we shall be responsible for obtaining any and all necessary easements and encroachment agreements needed to provide for such extensions or connections and provide those to the City of Hickory as appropriate.

The undersigned owner further acknowledges, they shall be responsible for any future utility extensions required to serve the property due to subdivision of the property.

6. APPLICANT'S AFFIDAVIT

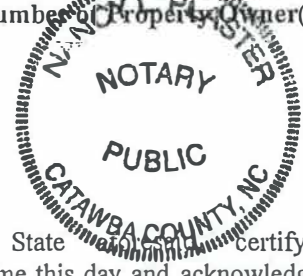
We, the undersigned property owners(s), hereby certify that the information contained herein and submitted in support of this application is true and correct and the property owner's list and associated envelopes were obtained using the most recent Tax Office property information and are true, correct and complete.

Tamara Coley
Printed Name of Property Owner(s)
1632 4th St. N.W.
Address of Property Owner(s)

Tamara Coley
Signature of Property Owner(s)
828-232-4517
Telephone Number of Property Owner(s)

(Please choose the appropriate notary block)

State of North Carolina – County of CATAWBA



I, the undersigned Notary Public of the County and State of NC certify that TAMARA COLEY personally appeared before me this day and acknowledged the due execution of this foregoing instrument for the purposes expressed herein. Witness my hand and Notarial stamp or seal, this 9th day of DECEMBER, 2021.

My Commission Expires: 11-2-24

Nancy S. Plaster
Notary Public

State of North Carolina – County of _____

I, the undersigned Notary Public of the County and State aforesaid, certify that _____ personally came before me this day an acknowledged the he / she is the _____ of _____ corporation / limited liability corporation / general partnership / limited partnership (strike through the inapplicable), and that by authority duly given and as the act of such entity he /she signed the foregoing instrument in its mane on its behalf as its act and deed. Witness my hand and Notarial stamp or seal, this _____ day of _____, 20____.

My Commission Expires: _____

Notary Public

5. WATER AND SEWER AVAILABILTY AND CONNECTIONS

We, the undersigned property owner(s), herby understand and agree we shall be responsible for all costs associated with providing for extensions and/or connections to the City of Hickory public utility system (water and sewer). This includes all design, permitting, construction, legal and applicable City of Hickory Tap Fees. Furthermore, we shall be responsible for obtaining any and all necessary easements and encroachment agreements needed to provide for such extensions or connections and provide those to the City of Hickory as appropriate.

The undersigned owner further acknowledges, they shall be responsible for any future utility extensions required to serve the property due to subdivision of the property.

6. APPLICANT'S AFFIDAVIT

We, the undersigned property owners(s), hereby certify that the information contained herein and submitted in support of this application is true and correct and the property owner's list and associated envelopes were obtained using the most recent Tax Office property information and are true, correct and complete.

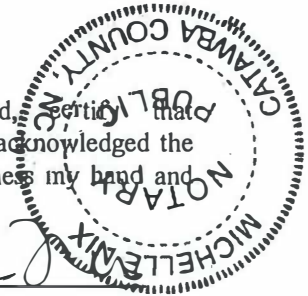
Phil Barton
Printed Name of Property Owner(s)
855 38th Ave NE
Hickory NC 28601
Address of Property Owner(s)

[Signature]
Signature of Property Owner(s)
828-362-3886
Telephone Number of Property Owner(s)

(Please choose the appropriate notary block)

State of North Carolina – County of Catawba

I, the undersigned Notary Public of the County and State aforesaid, certify that Phillip Barton personally appeared before me this day and acknowledged the due execution of this foregoing instrument for the purposes expressed herein. Witness my hand and Notarial stamp or seal, this 7 day of December, 2021.



My Commission Expires: 03/15/2022

[Signature]
Notary Public

State of North Carolina – County of _____

I, the undersigned Notary Public of the County and State aforesaid, certify that _____ personally came before me this day an acknowledged the he / she is the _____ of _____ corporation / limited liability corporation / general partnership / limited partnership (strike through the inapplicable), and that by authority duly given and as the act of such entity he /she signed the foregoing instrument in its mane on its behalf as its act and deed. Witness my hand and Notarial stamp or seal, this _____ day of _____, 20____.

My Commission Expires: _____

Notary Public

5. WATER AND SEWER AVAILABILTY AND CONNECTIONS

We, the undersigned property owner(s), herby understand and agree we shall be responsible for all costs associated with providing for extensions and/or connections to the City of Hickory public utility system (water and sewer). This includes all design, permitting, construction, legal and applicable City of Hickory Tap Fees. Furthermore, we shall be responsible for obtaining any and all necessary easements and encroachment agreements needed to provide for such extensions or connections and provide those to the City of Hickory as appropriate.

The undersigned owner further acknowledges, they shall be responsible for any future utility extensions required to serve the property due to subdivision of the property.

6. APPLICANT'S AFFIDAVIT

We, the undersigned property owners(s), hereby certify that the information contained herein and submitted in support of this application is true and correct and the property owner's list and associated envelopes were obtained using the most recent Tax Office property information and are true, correct and complete.

Kenneth R. Turnmyre
Printed Name of Property Owner(s)

[Signature]
Signature of Property Owner(s)

2530 750 32nd Ave Dr NW
Address of Property Owner(s)

828-302-5959
Telephone Number of Property Owner(s)

(Please choose the appropriate notary block)

State of North Carolina – County of Burke

I, the undersigned Notary Public of the County and State aforesaid, certify that Kenneth R. Turnmyre personally appeared before me this day and acknowledged the due execution of this foregoing instrument for the purposes expressed herein. Witness my hand and Notarial stamp or seal, this 7 day of December, 2021.

My Commission Expires: 10/10/2023

[Signature]
Notary Public

State of North Carolina – County of _____

I, the undersigned Notary Public of the County and State aforesaid, certify that _____ personally came before me this day an acknowledged the he / she is the _____ of _____ corporation / limited liability corporation / general partnership / limited partnership (strike through the inapplicable), and that by authority duly given and as the act of such entity he /she signed the foregoing instrument in its mane on its behalf as its act and deed. Witness my hand and Notarial stamp or seal, this _____ day of _____, 20____.

My Commission Expires: _____

Notary Public

3719-1599

FILED ELECTRONICALLY
CATAWBA COUNTY NC
DONNA HICKS SPENCER

FILED	Jan 27, 2022
AT	03:04:00 PM
BOOK	03719
START PAGE	1599
END PAGE	1620
INSTRUMENT #	01944
EXCISE TAX	\$0.00

Drafted by and return to: John W. Crone, III, Attorney, Young, Morphis, Bach & Taylor,
Post Office Drawer 2428, Hickory, NC 28603

STATE OF NORTH CAROLINA

LIMITED POWER OF ATTORNEY

COUNTY OF CATAWBA

KNOW ALL MEN BY THESE PRESENTS THAT BRENDA MILLER DANIEL; WILLIAM M. DANIEL; JEANNE MILLER HOLLAR; KIMBERLY M. CLONTZ; JONES WALTER MILLER, III; SANDRA D. BARTON; PHILLIP L. BARTON; TAMARA T. COLEY; LLOYD F. COLEY; GALE R. PROPST; KENNETH TURNMYRE; TAMARA VERBIEST; HARRY K. CLONTZ; DONNA TURNMYRE; JOHN VERBIEST; JOHN A. TURNMYRE; AND JACQUELINE F. WALKER, ROY A. WALKER, JR. AND JOHN R. FASTENAU, AS TRUSTEES OF THE DORIS P. FASTENAU LIVING TRUST, the undersigned, of Catawba County, State of North Carolina, BEING ALL OF THE HEIRS OF EARL H. PROPST (CATAWBA COUNTY ADMINISTRATION BOOK 22 AT PAGE 120, CATATWBA COUNTY CLERK OF COURT) hereby make, constitute and appoint, PHILLIP L. BARTON, TAMARA T. COLEY AND KENNETH TURNMYRE, Catawba County, State of North Carolina, their true and lawful agents, and, in their name, place and stead, give unto said PHILLIP L. BARTON, TAMARA T. COLEY AND KENNETH TURNMYRE, full power to act in their name, place and stead in any way which they personally could do if they were personally present with respect to the following matters to the extent that they are permitted by law to act through an agent:

We do hereby authorize our agents to sign, endorse and execute on our behalf any and all documents necessary to approve, bind and accept any and all Offers and Purchase Contracts and the power to execute any and all ancillary documents related thereto, and if necessary, to participate in, or execute such documents necessary to authorize others, including, but not limited to the Buyers of any Offer/Purchase Contract to participate in/execute all documents necessary for/regarding the annexation, zoning, rezoning or any other local, state and/or federal government matter or matters and/or

3719-1600

applications/forms related to or associated with the properties listed in Exhibit "A". This includes the authority to grant to entities, persons, firms or representatives all powers referenced herein related to all properties located in Catawba County, North Carolina, said property being more particularly described in Exhibit "A" attached hereto. This power includes, but is not limited to, the specific power to act in our name, or on behalf of others, to participate in and execute any and all documents necessary to zone, rezone or annex the properties listed on Exhibit "A".

(Signature pages on the following pages)

3719-1601

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on Dec. 31st, 2023.

Dated this 21st day of January, 2022.

BY: Brenda Miller Daniel (SEAL)
Brenda Miller Daniel

STATE OF North Carolina
COUNTY OF Brunswick

I, Tammy J. Prevate, a Notary Public, in Brunswick County, State of North Carolina, do hereby certify that Brenda Miller Daniel, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 21st day of January, 2022.

Tammy J. Prevate
Signature of Notary Public

Tammy J. Prevate
Typed/Printed Name of Notary

My Commission Expires:
09-26-2026



Limited POA - 216027-9

3719-1602

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on Dec. 31st, 2023

Dated this 21st day of January, 2022.

BY: William M. Daniel (SEAL)
William M. Daniel

STATE OF North Carolina
COUNTY OF Brunswick

I, TAMMY J. PREVATE, a Notary Public, in Brunswick County, State of North Carolina, do hereby certify that William M. Daniel, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 21st day of January, 2022.

Tammy J. Prevate
Signature of Notary Public

TAMMY J. PREVATE
Typed/Printed Name of Notary

My Commission Expires:
09-26-2026



Limited POA - 268027-9

3719-1603

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on December 31st, 2022.

Dated this 22 day of January, 20 22.

BY: Jeanne Miller Hollar (SEAL)
Jeanne Miller Hollar

STATE OF NC

COUNTY OF Catawba

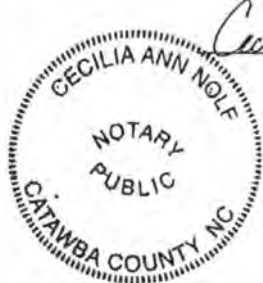
I, Cecilia Ann Nolf, a Notary Public, in Catawba County, State of NC, do hereby certify that **Jeanne Miller Hollar**, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 22 day of January, 2022.

Cecilia Ann Nolf
Signature of Notary Public

My Commission Expires:

07/12/2026



Cecilia Ann Nolf
Typed/Printed Name of Notary

3719-1604

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on December 31st, 2022.

Dated this 22 day of January, 2022.

BY: Kimberly M. Clontz (SEAL)
Kimberly M. Clontz

STATE OF NC

COUNTY OF Catawba

I, Cecilia Ann Nolf, a Notary Public, in Catawba County, State of NC, do hereby certify that **Kimberly M. Clontz**, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 22 day of January, 2022.

Cecilia Ann Nolf
Signature of Notary Public

My Commission Expires:

07/12/2026



Cecilia Ann Nolf
Typed/Printed Name of Notary

3719-1605

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on December 31st, 2023.

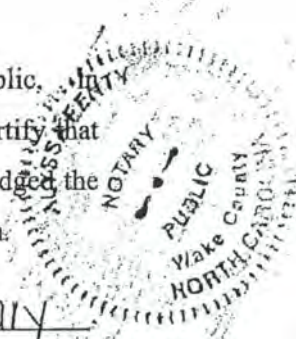
Dated this 21 day of January, 2022

BY: Jones Walter Miller III (SEAL)
Jones Walter Miller, III

STATE OF NC

COUNTY OF Wake

I, Alyssa Fenty, a Notary Public, Wake County, State of NC, do hereby certify that Jones Walter Miller, III, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.



WITNESS my hand and Notarial Seal, this 21st day of January, 2022

Alyssa Fenty
Signature of Notary Public

Alyssa Fenty
Typed/Printed Name of Notary

My Commission Expires:
8/8/2026

3719-1606

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on December 31st, 2023.

Dated this 21 day of January, 2022.

BY: Sandra D. Barton (SEAL)
Sandra D. Barton

STATE OF Florida
COUNTY OF Alameda

I, Sherrie A. Newsom Notary Public, in Alameda County, State of Florida, do hereby certify that **Sandra D. Barton**, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 21 day of January, 2022

Sherrie A. Newsom
Signature of Notary Public

Sherrie A. Newsom
Typed/Printed Name of Notary

My Commission Expires:

08/08/25



3719-1607

This Limited Power of Attorney shall be effective beginning on ~~the~~ date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on December 31st, 2025.

Dated this 21st day of January, 2022.

BY: Phillip L. Barton (SEAL)
Phillip L. Barton

STATE OF Florida
COUNTY OF Manatee

I, Sherrie A Newsom a Notary Public, in Manatee County, State of Florida, do hereby certify that **Phillip L. Barton**, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 21st day of January, 2022.

Sherrie A Newsom
Signature of Notary Public

Sherrie A Newsom
Typed/Printed Name of Notary

My Commission Expires:

08/08/25



3719-1608

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on December 31st, 2023.

Dated this 26th day of January, 2022.

BY: Tamara T. Coley (SEAL)
Tamara T. Coley

STATE OF North Carolina
COUNTY OF Catawba

I, Fallon Dawn McKinney, a Notary Public, in Catawba County, State of NC, do hereby certify that Tamara T. Coley, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 26th day of January, 2022

Fallon Dawn McKinney
Signature of Notary Public



Fallon Dawn McKinney
Typed/Printed Name of Notary

My Commission Expires:
9/7/2022

3719-1609

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on December 31st, 2023.

Dated this 26th day of January, 20 22.

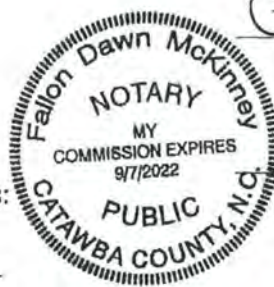
BY: [Signature] (SEAL)
Lloyd F. Coley

STATE OF North Carolina

COUNTY OF Catawba

I, Fallon Dawn McKinney, a Notary Public, in Catawba County, State of NC, do hereby certify that Lloyd F. Coley, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 26th day of January, 2022



Fallon Dawn McKinney
Signature of Notary Public

Fallon Dawn McKinney
Typed/Printed Name of Notary

My Commission Expires: 9/7/2022

3719-1610

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on December 31st, 2022.

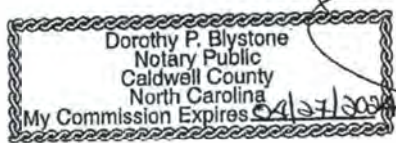
Dated this 27th day of January, 2022.

BY: Gale R. Propst (SEAL)
Gale R. Propst

STATE OF North Carolina
COUNTY OF Catawba

I, Dorothy P. Blystone, a Notary Public, in Caldwell County, State of North Carolina, do hereby certify that Gale R. Propst, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 27th day of January, 2022.



Dorothy P. Blystone
Signature of Notary Public

Dorothy P. Blystone
Typed/Printed Name of Notary

My Commission Expires:
April 27, 2024

3719-1611

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on 12/31/2023, 2023.

Dated this 25th day of JANUARY, 2022.

BY: Kenneth Turnmyre (SEAL)
Kenneth Turnmyre



STATE OF North Carolina

COUNTY OF Burke

I, Ashley A Masteller, a Notary Public, in Burke County, State of NC, do hereby certify that **Kenneth Turnmyre**, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 25 day of January, 2022.

Ashley A Masteller
Signature of Notary Public

Ashley A. Masteller
Typed/Printed Name of Notary

My Commission Expires:

10/10/2023

3719-1612

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on 12/31, 2022.

Dated this 25 day of January, 2022.

BY: Tamara Verbiest (SEAL)
Tamara Verbiest



STATE OF North Carolina
COUNTY OF Burke

I, Ashley A Masteller, a Notary Public, in Burke County, State of NC, do hereby certify that **Tamara Verbiest**, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 25 day of January, 2022.

Ashley A Masteller
Signature of Notary Public

Ashley A Masteller
Typed/Printed Name of Notary

My Commission Expires:

10/10/2023

3719-1613

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on December 31st, 2023

Dated this 27 day of Dec, 2022.

BY: [Signature] (SEAL)
Harry K. Clontz

STATE OF N.C

COUNTY OF Catawba

I, Karl Schmitt, a Notary Public, in Catawba County, State of N.C., do hereby certify that Harry K. Clontz, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 27 day of January, 2022.



My Commission Expires

10-19-2025

[Signature]
Signature of Notary Public

Karl Schmitt
Typed/Printed Name of Notary

3719-1614

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on 12/31, 2023.

Dated this 25 day of January, 2022.

BY: Donna Turnmyre (SEAL)
Donna Turnmyre



STATE OF North Carolina
COUNTY OF Burke

I, Ashley A Masteller, a Notary Public, in Burke County, State of NC, do hereby certify that **Donna Turnmyre**, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 25 day of January, 2022.

Ashley A Masteller
Signature of Notary Public

Ashley A Masteller
Typed/Printed Name of Notary

My Commission Expires:
10/10/2023

3719-1615

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on 12/31, 2023.

Dated this 25th day of January, 2022.

BY: John W Verbiest (SEAL)
John Verbiest



STATE OF North Carolina
COUNTY OF Burke

I, Ashley A Masteller, a Notary Public, in Burke County, State of NC, do hereby certify that **John Verbiest**, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 25 day of January, 2022.

Ashley A Masteller
Signature of Notary Public

Ashley A Masteller
Typed/Printed Name of Notary

My Commission Expires:
10/10/2023

3719-1616

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on 12/31, 2023.

Dated this 25 day of January, 20 22.

BY: John A. Turmyre (SEAL)
John A. Turmyre



STATE OF North Carolina
COUNTY OF Burke

I, Ashley A Masteller, a Notary Public, in Burke County, State of NC, do hereby certify that **John A. Turmyre**, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 25 day of January, 2022.

Ashley A Masteller
Signature of Notary Public

Ashley A Masteller
Typed/Printed Name of Notary

My Commission Expires:

10/10/2023

3719-1617

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on December 31, 2023.

Dated this 24th day of January, 2022.

BY Jacqueline F. Walker, Trustee (SEAL)
Jacqueline F. Walker, Trustee of
The Doris P. Fastenau Living Trust

STATE OF Pennsylvania
COUNTY OF York

I, Brook Knaub, a Notary Public, in York County, State of Pennsylvania, do hereby certify that **Jacqueline F. Walker, Trustee of the Doris P. Fastenau Living Trust**, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 24th day of January, 2022.

Commonwealth of Pennsylvania – Notary Seal
Brook Knaub, Notary Public
York County
My commission expires June 25, 2025
Commission number 1400303

[Signature]
Signature of Notary Public

Brook Knaub
Typed/Printed Name of Notary

My Commission Expires:

June 25, 2025

3719-1618

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on December 31, 2022.

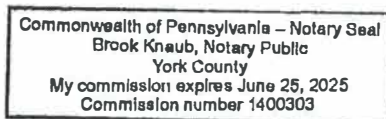
Dated this 24th day of January, 2022.

BY: Roy A. Walker, Jr. Trust (SEAL)
Roy A. Walker, Jr., Trustee of
The Doris P. Fastenau Living Trust

STATE OF Pennsylvania
COUNTY OF York

I, Brook Knaub, a Notary Public, in York County, State of Pennsylvania, do hereby certify that **Roy A. Walker, Jr., Trustee of the Doris P. Fastenau Living Trust**, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 24th day of January, 2022.



[Signature]
Signature of Notary Public

Brook Knaub
Typed/Printed Name of Notary

My Commission Expires:
June 25, 2025

3719-1619

This Limited Power of Attorney shall be effective beginning on the date of the execution of this Limited Power of Attorney until 5:00 P.M. E.S.T. on December 31st 2022.

Dated this 25th day of January, 2022

BY: [Signature] (SEAL)
**John R. Fastenau, Trustee of
The Doris P. Fastenau Living Trust**

STATE OF S.C.
COUNTY OF Greenwood

I, MELVIN CALLIHAM, a Notary Public, in GREENWOOD County, State of South CAROLINA, do hereby certify that **John R. Fastenau, Trustee of the Doris P. Fastenau Living Trust**, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purposes expressed therein.

WITNESS my hand and Notarial Seal, this 25th day of JANUARY, 2022

[Signature]
Signature of Notary Public

J. MELVIN CALLIHAM
Typed/Printed Name of Notary

My Commission Expires:

MAY 15, 2024



3719-1620

Exhibit "A"**Property Descriptions**

<u>Parcel ID</u>	<u>Property Address</u>	<u>Location</u>
3713-17-01-5945	8 th Avenue, N.E., Hickory	0.15 acres across from LRU
3713-17-04-5819	768 8 th Street, N.E., Hickory	0.19 acre 8 th St, NE, Hky
3724-19-51-7045	3220 Kool Park Road, Hickory	39.86 acres
3724-19-70-3820	3426 Springs Road, NE, Hickory	Springs Rd
3723-09-15-0779	2374 Springs Road, NE, Hickory	0.89 acres (Car Lot)
3723-09-15-5148	23 rd Street, N.E., Hickory	11.11 acres, S of Springs Rd.
3723-08-89-6240	2520 Section House Rd, NE, Hky	46.44 acres, SR No. 1491

EXHIBIT 'C'

TO THE CITY OF Hickory, Catawba COUNTY, STATE OF NORTH CAROLINA, AND/OR OTHER GOVERNMENTAL AGENCIES AND SUBDIVISIONS AND DEPARTMENTS OF SAME AND PUBLIC UTILITIES.

For the property identified as Parcel ID: 3723-08-89-6240, Hickory, NC, 28601 as Owner, I hereby designate and appoint John P. McCormack Contracting LLC as Agent of Record for the purposes of representing it during the Development Review Process and/or permitting/hearing processes, including without limitation site plan review, construction plan review, utility and drainage plan review and signage. Agent of Record is hereby vested with authority to make any representations, agreements, or promises that are necessary or desirable in conjunction with the review process. Agent of Record is also authorized to accept or reject any conditions imposed by any reviewing board or entity.

Date: Oct. 27, 2021

Tamara T. Coley, as Agent
APPLICANT/OWNER (PRINT)

Tamara T. Coley
APPLICANT/OWNER'S SIGNATURE

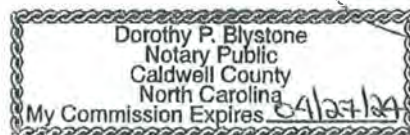
1632 4th St. N.W.
ADDRESS

Hickory NC 28601
CITY, STATE, ZIP

828-233-1157
TELEPHONE

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

The foregoing instrument was acknowledged before me this 27th day of October, 2021 by Tamara T. Coley as Owner of property identified as PARCEL ID: 3723 08896240 Address: 2520 Section House Rd, Hickory, NC 28601. She/Hickory is known personally known to me or has produced as identification.



Dorothy P. Blystone
Notary Public - Signature
Print Name: Dorothy P. Blystone
My Commission Expires: 04/27/2024

EXHIBIT "C"

TO THE CITY OF Hickory, Catawba COUNTY, STATE OF NORTH CAROLINA, AND/OR OTHER GOVERNMENTAL AGENCIES AND SUBDIVISIONS AND DEPARTMENTS OF SAME AND PUBLIC UTILITIES:

For the property identified as Parcel ID: 3723-08-89-6240 Hickory, NC, 28601 as Owner, I hereby designate and appoint John R. McCormick, the member/manager of John R McCormick Contracting, LLC as its Agent of Record for the purposes of representing it during the Development Review Process and/or permitting/hearing processes, including without limitation site plan review, construction plan review, utility and drainage plan review and signage. Agent of Record is hereby vested with authority to make any representations, agreements, or promises that are necessary or desirable in conjunction with the review process. Agent of Record is also authorized to accept or reject any conditions imposed by any reviewing board or entity,

Date: October 27, 2021

Kenneth Turnmyre, as Agent
APPLICANT/OWNER (PRINT)

[Signature]
APPLICANT/OWNER'S SIGNATURE

750 32ND Ave Dr NW
ADDRESS

Hickory NC 28601
CITY, STATE, ZIP

828-302-5959
TELEPHONE

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

The foregoing instrument was acknowledged before me this 27 day of October, 2021 by Kenneth Turnmyre as Owner of property identified as PARCEL ID: 3723-08-89-6240 Address: 2500 Section House Rd NE, Hickory, NC 28601. ~~801/He/802~~ is ~~not~~ personally known to me or has ~~not~~ produced NC DL as identification,

[Signature]
Notary Public - Signature
Print Name: ASHLEY A MOSTELLER
My Commission Expires: 10/10/2023



268024-1

EXHIBIT "C"

TO THE CITY OF Hickory, Catawba COUNTY, STATE OF NORTH CAROLINA, AND/OR OTHER GOVERNMENTAL AGENCIES AND SUBDIVISIONS AND DEPARTMENTS OF SAME AND PUBLIC UTILITIES.

For the property identified as Parcel ID: 3723-08-89-6240 Hickory, NC, 28601 as Owner, I hereby designate and appoint John R. McGinnis, the Manager of John R. McGinnis Contracting LLC as its Agent of Record for the purposes of representing it during the Development Review Process and/or permitting/hearing processes, including without limitation: site plan review, construction plan review, utility and drainage plan review and signage. Agent of Record is hereby vested with authority to make any representations, agreements, or promises that are necessary or desirable in conjunction with the review process. Agent of Record is also authorized to accept or reject any conditions imposed by any reviewing board or entity.

Date: October 27, 2021

Phillip L. Barton, as Agent
APPLICANT/OWNER (PRINT)

Phillip L. Barton
APPLICANT/OWNER'S SIGNATURE

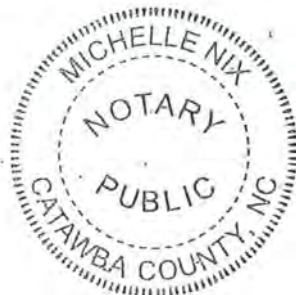
855 38TH Ave NE
ADDRESS

Hickory NC 28601
CITY, STATE, ZIP

828-302-3886
TELEPHONE

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

The foregoing instrument was acknowledged before me this 27 day of October, 2021 by Phillip L. Barton as Owner of property identified as PARCEL ID: 37230889240, Address: 2520 Section House Rd NE, Hickory, NC 28601. Yes He/She/It is Yes personally known to me or has Yes produced _____ as identification.



Michelle Nix
Notary Public - Signature
Print Name: Michelle Nix
My Commission Expires: 03/15/2022

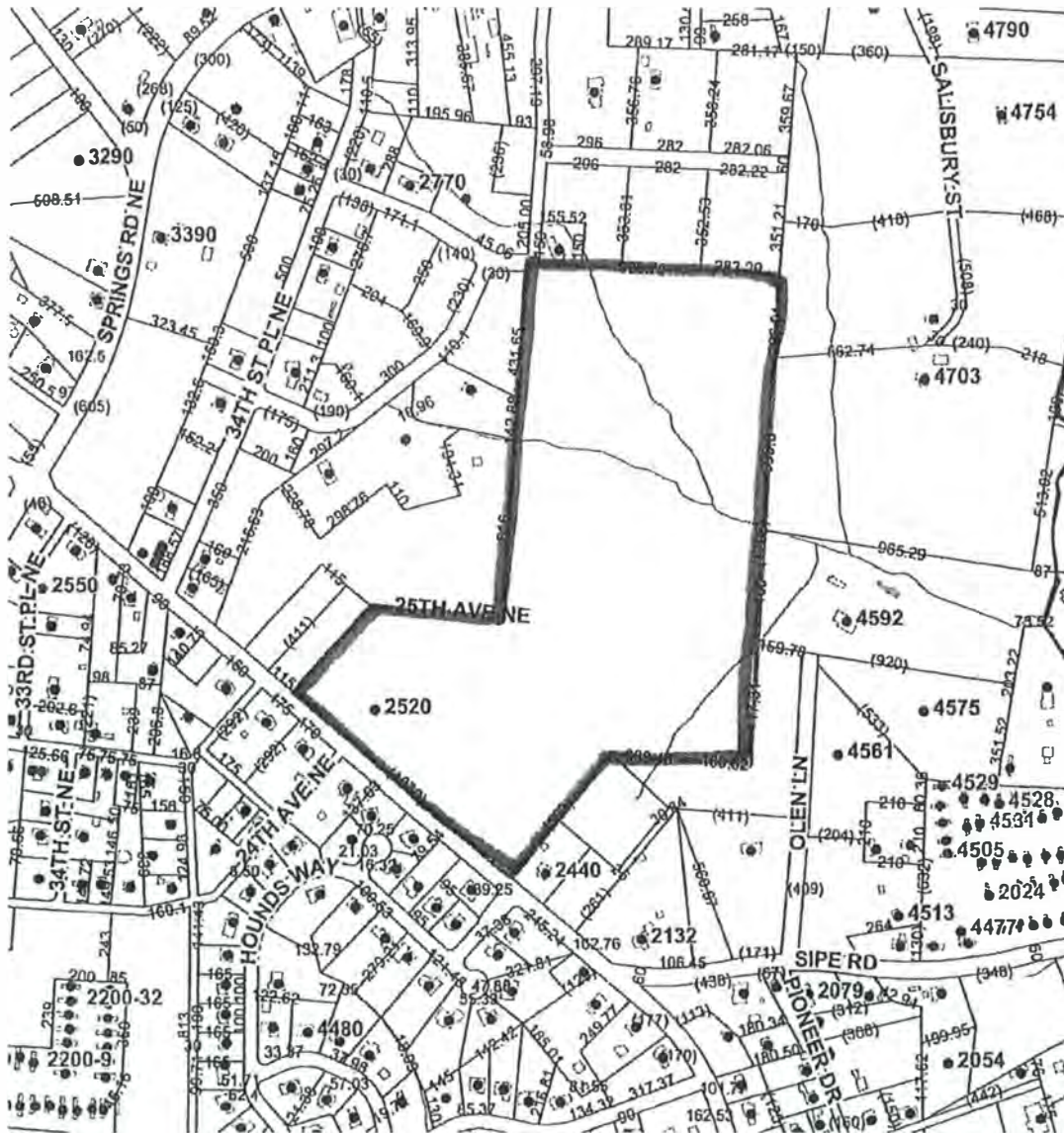
DEED EXHIBIT



catawba county
MAKING. LIVING. BETTER.

Geospatial
Information Services

Real Estate Search



1in=600ft

Parcel: 372308896240, 2520 SECTION HOUSE RD NE HICKORY, 28601

Owners: PROPST EARL ERRAND HEIRS,

Owner Address: 1632 4TH ST NW

Values - Building(s): \$0, Land: \$296,300, Total: \$296,300

This map/report product was prepared from the Catawba County, NC Geospatial Information Services. Catawba County has made substantial efforts to ensure the accuracy of location and labeling information contained on this map or data on this report. Catawba County promotes and recommends the independent verification of any data contained on this map/report product by the user. The County of Catawba, its employees, agents, and personnel, disclaim, and shall not be held liable for any and all damages, loss or liability, whether direct, indirect or consequential which arises or may arise from this map/report product or the use thereof by any person or entity.

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11/08/2021

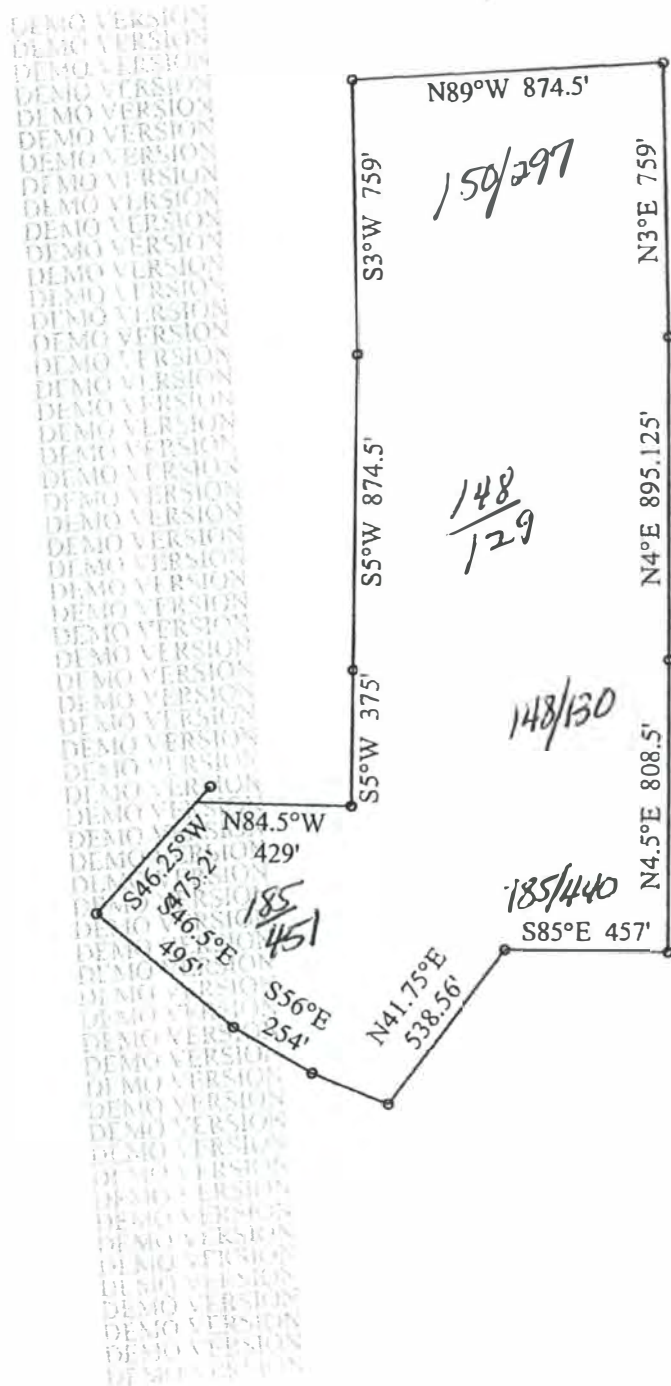
#1164

CHAIN OF TITLE

DATED: 2-24-15 RECORDED: 3-3-15	BOOK/PAGE: 3279/1207	Kenneth Surmigo et al TO TVT Partners LLC
DATED: 2-24-15 RECORDED: 3-3-15	BOOK/PAGE: 3279/1203	Aue Surmigo Propot Est Kenneth R. Surmigo, Renana Verbeed & Trust for John A. Surmigo
DATED: RECORDED:	BOOK/PAGE: 2014 E-362	TO Est of Aue Surmigo Propot
DATED: RECORDED:	BOOK/PAGE: 09E-459	TO Est of Kenneth C. Propot
DATED: RECORDED:	BOOK/PAGE: 3130/820	Doris P. Fastenau Doris P. Fastenau, et al of the Doris P. Fastenau Trust
DATED: RECORDED:	BOOK/PAGE: 2014 E-362	TO Est of Aue Surmigo Propot
DATED: RECORDED:	BOOK/PAGE: 09E-459	TO Est of Kenneth C. Propot
DATED: RECORDED:	BOOK/PAGE: 21E-525	TO Est of Nell Propot Thomas
DATED: RECORDED:	BOOK/PAGE: 04E-745	TO Est of Jack Mitchell Propot.
DATED: RECORDED:	BOOK/PAGE: 200E-112	TO Martha P. Miller Est
DATED: RECORDED:	BOOK/PAGE: Adm BK 20/120	TO Est of Earl E. Propot
DATED: 3-9-25 RECORDED: 4-6-25	BOOK/PAGE: 185/651	DE Wagner & SE Earl Propot. TO
DATED: 9-13-25 RECORDED: 4-7-25	BOOK/PAGE: 185/448	DE Wagner & SE Earl Propot TO
DATED: 12-12-18 RECORDED: 1-23-19	BOOK/PAGE: 148/130	David S. Ekard & JE Earl Propot TO
DATED: 12-5-18 RECORDED: 12-8-19	BOOK/PAGE: 148/129	Kirby Sumner & Bette Earl Propot TO
Dated 3-29-20 Rec 4-22-20	150/297	Erin Kaxupp to Earl Propot.



Scale: 1 inch = 500 feet
 Area: 60.311 acres (2,627,167.00 square feet)



1. S46.25°W 475.2'
2. S46.5°E 495'
3. S56°E 254'
4. S63.75°E 231'

5. N41.75°E 538.56'
6. S85°E 457'
7. N4.5°E 808.5'
8. N4°E 895.125'

9. N3°E 759'
10. N89°W 874.5'
11. S3°W 759'
12. S5°W 874.5'

13. S5°W 375'
14. N84.5°W 429'

3279-1207

FILED Catawba County

on Mar 03, 2015 at 02:45:00 pm

Excise Tax \$0.00 (AT)

INST. # 03308

DONNA HICKS SPENCER,
Register of Deeds

EX 03279 Pg 1207-1211

Revenue: \$0.00

Drawn by: Susannah L. Brown
ANTHONY & BROWN, PLLC
208 Union Square
Hickory, North Carolina 28601

STATE OF NORTH CAROLINA
CATAWBA COUNTY

WARRANTY DEED

THIS DEED, made and entered into this 24th day of February, 2015, by and between Kenneth R. Turmyre and wife, Donna M. Turmyre, Tamara T. Verbiest (aka Tamara T. Verbiest) and husband, John Walter Verbiest and Kenneth R. Turmyre, Trustee of the trust f/b/o John A. Turmyre w/w/o Sue Turmyre Propst, hereinafter referred to as the "Grantors", and TVT Partners, LLC, a North Carolina limited liability company, hereinafter referred to as the "Grantee", whose permanent mailing address is Post Office Box 1990, Hickory, Catawba County, North Carolina 28603; All tax mailings should be addressed as follows: Tracts 1-5 use Post Office Box 1990, Hickory, NC 28603, Tracts 6-12 use address 1632 4th St. NW, Hickory, NC 28601.

WITNESSETH:

That the Grantor, for and in consideration of the sum of TEN (\$10.00) DOLLARS and other good and valuable consideration to him in hand paid by the Grantee, the receipt whereof is hereby acknowledged, has given, granted, bargained, sold and conveyed, and by these presents does give, grant, bargain, sell, convey and confirm unto the Grantee, his heirs and/or successors and assigns, premises in Catawba County, North Carolina, described as follows:

SEE ATTACHED EXHIBIT A

3279-1208

All properties herein are conveyed subject to all easements, reservations, restrictions and rights-of-way of record.

1208

TITLE TO THE PROPERTY HEREIN CONVEYED HAS NOT BEEN EXAMINED BY THE DRAFTER OF THIS INSTRUMENT.


TO HAVE AND TO HOLD the above-described premises, with all the appurtenances, thereunto belonging, or in any wise appertaining, unto the Grantee, his heirs and/or successors and assigns forever;


And the Grantor covenants that he is seized of said premises in fee and has the right to convey the same in fee simple; that said premises are free from encumbrances; and that he will warrant and defend the said title to the same against the lawful claims of all persons whosoever.

When reference is made to the Grantor or Grantee, the singular shall include the plural and the masculine shall include the feminine or the neuter.


IN WITNESS WHEREOF, the Grantor has hereunto set his hand and seal, the day and year first above written.


Kenneth R. Turmyre (SEAL)


Donna M. Turmyre (SEAL)


Tamara T. Verbiest (SEAL)
(aka Tamara T. Verbiest)


John Walter Verbiest (SEAL)


Kenneth R. Turmyre, Trustee of the
Trust U/b/o John A. Turmyre u/w/o
Sue Turmyre Propst

WV

3279-1209

STATE OF NORTH CAROLINA
CATAWBA COUNTY

1209

I, a notary public in and for said county and state, do hereby certify that Kenneth R. Turmyre, Donna M. Turmyre, Tamara T. Verbiest (aka Tamara T. Verbiest), John Walter Verbiest and Kenneth R. Turmyre, Trustee of the trust *U/w/o* John A. Turmyre *u/w/o* Sue Turmyre Propst, personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed.

WITNESS my hand and notarial seal this 24th day of February, 2015.



Angela M. Sullins
Notary Public
Angela M. Sullins
Printed Notary Public Name
My commission expires: June 15, 2019

WEB

3279-1210

Exhibit A

1210

Tract 1:

Location: 3811 Springs Road
Conover, NC 28613
PIN: 373413024718
Tax Map No. 1416 03021A
Deed Reference: 2014 E 362; 1043/13

Tract 2:

Location: 3291 Kool Park Road, N.E.
Hickory, NC 28601
PIN: 372419608888
Tax Map No. 1419 02003
Deed Reference: 2014 E 362; 776/214

Tract 3:

Location: 34th Street Circle, N.E.
Hickory, NC 28601
PIN: 372308891962
Tax Map No. 2107 03001
Deed Reference: 2014 E 362; 5654/290

Tract 4:

Location: 34th Street Place, N.E.
Hickory, NC 28601
PIN: 372420705517
Tax Map No. 1419 09003
Deed Reference: 2014 E 362; 564/290

Tract 5:

Location: 3825 Springs Road
Conover, NC 28613
PIN: 373413025793
Tax Map No. 1416 03021
Deed Reference: 2014 E 362; 1043/13

Undivided interests in the following properties:

Tract 6:

Location: 8th Avenue, N.E.
Hickory, NC 28601
PIN: 371317015945
Tax Map No. 37H 02009
Deed Reference: 2014 E 362; 208/179



3279-1211

Tract 7:
Location: 2374 Springs Road, N.E. 1211
Hickory, NC 28601
PIN: 372309150779
Tax Map No. 158H 02004
Deed Reference: 2014 E 362; 266/063


Tract 8:
Location: 23rd Street, N.E.
Hickory, NC 28601
PIN: 372309155148
Tax Map No. 158H 02001
Deed Reference: 2014 E 362; 218/540

Tract 9:
Location: 2520 Section House Road, N.E.
Hickory, NC 28601
PIN: 372308896240
Tax Map No. 2100 00002
Deed Reference: 2014 E 362

Tract 10:
Location: 3426 Springs Road, N.E.
Hickory, NC 28601
PIN: 372419703820
Tax Map No. 1419 09007
Deed Reference: 2014 E 362; 283/516; 287/99

Tract 11:
Location: 768 Eighth Street, N. E.
Hickory, NC 28601
PIN: 371317015819
Tax Map No. 37H 02008
Deed Reference: 2014 E 362; 2138/001

Tract 12:
Location: 3220 Kool Park Road, N.E.
Hickory, NC 28601
PIN: 372419517045
Tax Map No. 165H 01002
Deed Reference: 2014 E 362; 166/502



3279-1203

FILED Catawba County

on Mar 03, 2015 at 02:44:00 pm

Excise Tax \$0.00 (AT)

INST. # 03307

DONNA HICKS SPENCER,
Register of Deeds

EX 03279 Pg 1203-1206

Revenue: \$0.00

Drawn by: Susannah L. Brown
✓ ANTHONY & BROWN, PLLC
208 Union Square
Hickory, North Carolina 28601

STATE OF NORTH CAROLINA

EXECUTOR'S DEED

CATAWBA COUNTY

THIS DEED is made and entered into this 24th day of February, 2015, by and between Kenneth R. Turnmyre, Executor of the Estate of Sue Turnmyre Propst, deceased, "Grantor", and Kenneth R. Turnmyre, Tamara T. Verbiest (aka Tamara T. Verbiest) and Kenneth R. Turnmyre, Trustee of the trust *1/b/o* John A. Turnmyre created under the will of Sue Turnmyre Propst hereinafter called "Grantee," whose permanent mailing address is PO Box 1990, Hickory, North Carolina, 28603;

WITNESSETH:

WHEREAS, the said Grantor, pursuant to the Beneficiaries Agreement to the Executor Concerning the Sale of Real Property as found in the Estate of Sue Turnmyre Propst, File No. 14 E 362 in the Office of the Clerk of Superior Court for Catawba County, North Carolina, for and in consideration of the premises and the sum of TEN (\$10.00) DOLLARS paid by the Grantee, the receipt of which is hereby acknowledged, the Grantor has and by these presents does grant, sell and convey unto the Grantee in fee simple all that certain lot or parcel of land situated in Catawba County, North Carolina, more particularly described as follows:

SEE ATTACHED EXHIBIT A

3279-1204

All properties herein are conveyed subject to all easements, reservations, restrictions and rights-of-way of record.

1204

TITLE TO THE PROPERTY HEREIN CONVEYED HAS NOT BEEN EXAMINED BY THE DRAFTER OF THIS INSTRUMENT.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple in as full and ample manner as the Grantor, as Executor of the Estate of Sue Turnmyre Propst, deceased, is authorized to do.

IN WITNESS WHEREOF, the Grantor has hereunto set his hand and seal as of the day and year first above written.

Kenneth R. Turnmyre (SEAL)
Kenneth R. Turnmyre, Executor of the Estate of Sue Turnmyre Propst

STATE OF NORTH CAROLINA
CATAWBA COUNTY

I, a notary public in and for said county and state, do hereby certify that KENNETH R. PROPST, Executor of the Estate of Sue Turnmyre Propst, personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed.

WITNESS my hand and notarial seal this 24th day of February, 2015.

Angela M. Sullins
Notary Public
Angela M. Sullins
Printed Notary Public Name
My commission expires: June 15, 2019



3279-1205

Exhibit A

1205

Tract 1:

Location: 3811 Springs Road
Conover, NC 28613
PIN: 373413024718
Tax Map No. 1416 03021A
Deed Reference: 2014 E 362; 1043/13

Tract 2:

Location: 3291 Kool Park Road, N.E.
Hickory, NC 28601
PIN: 372419608888
Tax Map No. 1419 02003
Deed Reference: 2014 E 362; 776/214

Tract 3:

Location: 34th Street Circle, N.E.
Hickory, NC 28601
PIN: 372308891962
Tax Map No. 2107 03001
Deed Reference: 2014 E 362; 5654/290

Tract 4:

Location: 34th Street Place, N.E.
Hickory, NC 28601
PIN: 372420705517
Tax Map No. 1419 09003
Deed Reference: 2014 E 362; 564/290

Tract 5:

Location: 3825 Springs Road
Conover, NC 28613
PIN: 373413025793
Tax Map No. 1416 03021
Deed Reference: 2014 E 362; 1043/13

Undivided interests in the following properties:**Tract 6:**

Location: 8th Avenue, N.E.
Hickory, NC 28601
PIN: 371317015945
Tax Map No. 37H 02009
Deed Reference: 2014 E 362; 208/179

3279-1206

Tract 7:
Location: 2374 Springs Road, N. E. 1206
Hickory, NC 28601
PIN: 372309150779
Tax Map No. 158H 02004
Deed Reference: 2014 E 362; 266/063

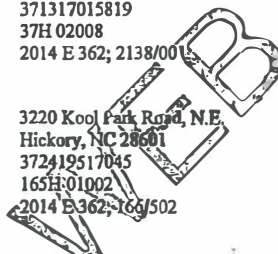
Tract 8:
Location: 23rd Street, N. E.
Hickory, NC 28601
PIN: 372309155148
Tax Map No. 158H 02001
Deed Reference: 2014 E 362; 218/540

Tract 9:
Location: 2520 Section House Road, N. E.
Hickory, NC 28601
PIN: 372308896240
Tax Map No. 2100 00002
Deed Reference: 2014 E 362

Tract 10:
Location: 3426 Springs Road, N. E.
Hickory, NC 28601
PIN: 372419703820
Tax Map No. 1419 09007
Deed Reference: 2014 E 362; 283/516; 287/99

Tract 11:
Location: 768 Eighth Street, N. E.
Hickory, NC 28601
PIN: 371317015819
Tax Map No. 37H 02008
Deed Reference: 2014 E 362; 2138/001

Tract 12:
Location: 3220 Kool Park Road, N.E.
Hickory, NC 28601
PIN: 372419517045
Tax Map No. 165H 01002
Deed Reference: 2014 E 362; 169/502



FILED Catawba County

on Dec 06, 2017 at 01:19:00 pm

Excise Tax \$0.00 (MC)

INST. # 20905

DONNA HICKS SPENCER,
Register of Deeds

bk 03430 Pg 0820-0823

NORTH CAROLINA NON-WARRANTY DEED

Excise Tax: \$ -0-

No title examination requested of or performed by preparer of deed.

Parcel No. 372309155148; 372419517045; 371317015945; 372309150779; 372419703820 and 372308896240

✓ Prepared by and return to: The Brock Law Firm, PLLC, Annika M. Brock, 26 N. Liberty Street, Asheville, NC 28801 (SASC)

Brief description for the Index: Numerous Lots, Catawba County

THIS DEED made this 4th day of December, 2017, by and between

GRANTOR	GRANTEE
<p>DORIS P. FASTENAU, an un-remarried widow</p> <p>6 Highlander Road Asheville, NC 28804</p>	<p>DORIS P. FASTENAU, TRUSTEE OF THE DORIS P. FASTENAU LIVING TRUST DATED SEPTEMBER 9, 1998, AND ANY AMENDMENTS THERETO</p> <p>6 Highlander Road Asheville, NC 28804</p>

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that Grantor, for a valuable consideration paid by Grantee; the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto Grantee in fee simple, all her 1/5th undivided interest in that certain lot or parcel of land situated in Catawba County, North Carolina and more particularly described as follows (the "Property"):

SEE EXHIBIT A, ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE.

This instrument prepared by Annika M. Brock a licensed NC attorney. Delinquent taxes, if any, to be paid by the attorney to the County Tax Collector upon disbursement of closing proceeds.

The Property was acquired by Earl E. Propst by instruments recorded in Book 218, Page 540; Book 166, Page 502; Book 208, Page 179; Book 266, Page 63, Catawba County Registry. Earl E. Propst died and Doris P. Fastenau inherited a one-fifth (1/5) undivided interest in the subject property.

0821

The Property does not include the primary residence of Grantor.

TO HAVE AND TO HOLD the Property and all privileges and appurtenances thereto belonging to Grantee in fee simple. IN WITNESS WHEREOF, Grantor has duly executed the foregoing as of the day and year first above written.

Doris P. Fastenau (SEAL)
Doris P. Fastenau

STATE OF North Carolina
COUNTY OF Buncombe

I, the undersigned notary public of the aforesaid jurisdiction, certify that Doris P. Fastenau personally appeared before me this day and, having produced adequate proof of identity, acknowledged the due execution of the foregoing instrument for the purposes therein expressed. Witness my hand and Notarial stamp or seal this 4th day of December, 2017.

My Commission Expires: 11-10-18

[Signature]
(Notary Public)
Print Name: Annika M. Brock

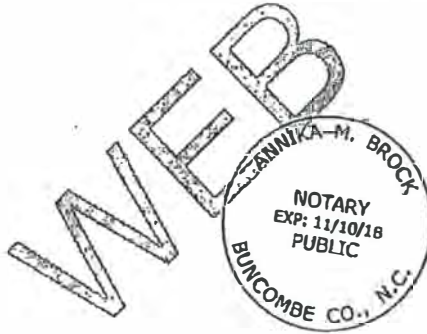


EXHIBIT A

0822

PARCEL 1 - Parcel ID 372309155148
 Located on 23rd Street NE, Hickory, NC

Beginning at a stone, an old corner near O.T. Smyre's house, and runs thence with the old line S. 29 $\frac{1}{2}$ ° W. 42 poles to a stone & new corner in the old line, also a corner of Lot Two, and thence with the line of said Lot S. 64° E. 80 poles to a stone an old corner; thence with an old line N. 11° E. 12 poles to a stone, thence N. 23° W. 34- $\frac{1}{3}$ poles to a stone, thence N. 55° W. 48 $\frac{1}{2}$ poles to the beginning, containing sixteen and one fourth acres, more or less.

There is also laid out a street twenty five feet wide, beginning at a stake in the line four hundred and eight feet S. 65° E. of the beginning corner, and running S. 29 $\frac{1}{2}$ ° W. through this lot, through Lot Two, and through Lot five, along the line of Lot six to the public road, and it is agreed that when any of the owners of the four lots mentioned above shall require it this street shall be opened. This is Lot No. One of the Division of the Davidson Bolick lands.

And being the same property as described in that Deed recorded in Book 218, Page 540, Catawba County Registry.

PARCEL 2 - Parcel ID 372419517045
 Commonly known as 3220 Kool Park Rd NE, Hickory, NC

First tract - Beginning at a stone in the Newton and Moore's Ferry Road running South 9 7/10° West 62 1/2 poles to a stone; thence North 8° West 6 1/2 poles to a stone; thence South 9 7/10° West 38 poles to a stake at a branch; thence up the branch S 54 1/2° East 18 poles to a maple; thence East 21 1/4 poles to a stake; thence North 17 1/2° East 64 poles to a stone in the Newton and Moore's Ferry Road; thence with said road 58 3/4 poles to the beginning, containing 20 acres (Lot 10 of D.W. Huffman to Spencer)

Second Tract - Lot No 2 adjoining the above tract Beginning at a stone in the Newton and Moore's Ferry Road, running South 17 1/2° West 64 poles to a stone at the branch; thence up the branch East 21 poles to a stone; thence a little Northeast 31 poles with a ditch to a corner in public road at head of ditch one of Dora Huffman corner's; thence with Moore's Ferry Road 51 poles to the beginning containing 7 acres more or less.

And being the same property as described in that Deed recorded in Book 218, Page 540, Catawba County Registry.

PARCEL 3 - Parcel 371317015945
 Located on 8th Avenue NE, Hickory, NC

Being in the Town of Highland, Catawba County, N.C.
 beginning at a stake in the East edge of Tenth Avenue, Northwest corner of Lot # 2, and runs N. 37°.E 33.4 feet to a stake at the ~~intersection~~ intersection of Tenth Avenue and National Highway; thence S. 53°E 150 feet to a stake in the South edge of the National Highway, Northwest corner of Lot #3, thence S 7°.W. 53.4 feet to a stake in the West line of lot #6, at the Northeast corner of Lot #3; thence N 3°.W. 150 feet to the beginning corner, being lots 4 & 5 as shown by map # 183, of that certain subdivision, surveyed and platted for R.F. Rookett Estate by John L. Stacey, Registered Surveyor, April 25 1924, said map being on record in the office of the Registrar of Deeds for Catawba County, in Plat Book 1 page 97. to which reference is hereby made.

And being the same property as described in that Deed recorded in Book 208, Page 179, Catawba County Registry.

0823

PARCEL 4 - 372309150779

Commonly known as 2374 Springs Road, NE, Hickory, NC

Lot No. 1, having the following metes and bounds: BEGINNING at a stake on the south side of the Sulphur Springs Road, and running thence South 25° 56 minutes East, with the Propst line 173 7/8 feet to a stake in the Propst Southwest corner; thence South 30° 28 minutes West to a stone, Smyre's N.W. corner; thence South 28° 30 minutes West 133 3/10 feet to a stake on the Propst line, this stake being the N.E. corner of Lot #2; thence North 41° 23 minutes East with the line of Lot #2 282 feet to a stake on the South side of the Sulphur Springs Road the following calls and distances: North 41° 23' East 243 feet; North 45° East 146 feet; thence North 50° East 134 9/10 feet to the beginning, being Lot No. 1 of the N.E. Bolick Estate, and containing 2.50 acres. From the above descriptions, Lots No. 1 and 2 have been sold and are not to be included in this deed. Lot No. 1 was sold to Donald Bumgarner and Lot No. 2 was sold to R.E. Bolick.

And being the same property as described in that Deed recorded in Book 266, Page 63, Catawba County Registry.

PARCEL 5 - 372419703820

Commonly known as 3426 Springs Rd NE

Tract 1:

BEGINNING at a stake Loy E. Bolick's corner the margin of Sulphur Springs Road and runs South 40° West 167 feet to a stake in Margin of said road; thence South 50° West 150 feet to a stake corner of new street; thence S. 47° East 200 feet to a stake; thence North 50° East 150 feet to a stake thence North 40° East 132 feet to a stake in Loy E. Bolick's line; thence with his line North 56° West 200 feet to the BEGINNING.

And being the same property as described in that Deed recorded in Book 283, Page 516, Catawba County Registry.

Tract 2:

BEGINNING at a stake Earl Propst's lot and runs thence South 56° East 15-22/25 poles to a stake L.E. Bolick's line thence with his line North 22° East 15-2/5 poles to a stake; thence North 47-1/2° West 8-3/5 poles to a stake; thence South 53-1/2° West 9 poles to a stake; thence 43° West 8 poles to the BEGINNING, and containing One and one fourth acres.

And being the same property as described in that Deed recorded in Book 287, Page 99, Catawba County Registry.

PARCEL 6: 372308896240 - 2520 Section House Rd NE

BEING all of that tract and parcel commonly known as 2520 Section House Road NE, Hickory, North Carolina, containing 46.45 acre, more or less, and bearing parcel identification number 372308896240.

185/451

WARRANTY DEED NO...1669...804

STATE OF NORTH CAROLINA--CATAWBA COUNTY

THIS DEED, Made this 8th day of March 1925 by D. E. Wagner and S. E. Wagner, his wife of Catawba County and State of North Carolina, of the first part, to Earl Propst of North Carolina County and State of North Carolina, of the second part: WITNESSETH, that said parties of the first part in consideration of ONE THOUSAND THREE HUNDRED SEVENTY SEVEN & Dollars to them paid by party of the second part the receipt of which is hereby acknowledged, have bargained and sold, and by these presents do grant, bargain, sell and convey to said party of the second part heirs and assigns, a certain tract or parcel of land in Catawba County, State of North Carolina, adjoining the lands of Earl Propst and others, bounded as follows, viz:

BEGINNING at a stake in the middle of the Newton and Moores Ferry Road Earl Propst corner and running with his line North 26 1/2 East 24 1/2 poles to a stake; thence North 4 East 28 poles to a stake by a small sourwood thence North 8 1/2 West 26 poles to a stake; thence South 46 1/2 W 28-4/6 poles to a stake on the east side of the Newton & Moores Ferry Road; thence with said road South 48 1/2 East 30 poles to a stake; thence South 56 East 15-2.5 poles to the beginning containing 9-8/60 Acres more or less.

\$1.50 Revenue

TO HAVE AND TO HOLD the aforesaid tract or parcel of land, and all privileges and appurtenances thereto belonging to the said party of the second part, his heirs and assigns, to the said party of the second part, his heirs and assigns, only use and behoof forever. And the said parties of the first part, for them sel. vas and their heirs, executors and administrators, covenant and warrant with said party of the second part, their heirs and assigns, that they are lawfully seized of said premises in fee and have full right to convey in fee simple; that the same are free and clear from all encumbrances, and that they do hereby forever warrant and will forever defend the said title to the same against the claims of all persons whomsoever

IN TESTIMONY WHEREOF, the said parties of the first part hereunto set their hand and seal, the day and year first above written.

D. E. Wagner (SEAL) S. E. Wagner (SEAL) Attest. T. P. Mauser

STATE OF NORTH CAROLINA, Catawba County, I, T. P. Mauser, a Justice of Peace do hereby certify that D. E. Wagner and S. E. Wagner his wife, personally appeared before me this day and acknowledged the due execution of the annexed Deed of Conveyance; and the said S. E. Wagner being by me privately examined, separate and apart from her said husband, touching her voluntary execution of the same, doth state that she signed the same freely and voluntarily, without fear or compulsion of her said husband, or any other person, and that she doth still voluntarily, assent thereto. Witness my hand and seal, this 8th day of March, A. D., 1925. T. P. Mauser, J. P. (SEAL)

STATE OF NORTH CAROLINA, Catawba County, The foregoing certificate of T. P. Mauser, a J. P. of Catawba County, is adjudged to be in due form correct and the foregoing deed is adjudged to have been duly acknowledged and proven. Let the instrument, with the certificate be registered. Witness my hand this 7th day of April, A. D., 1925. J. C. Rudisill Clerk Superior Court.

Filed for registration on the 6th day of April, 1925, at 10:30 o'clock A. M., and registered in the office of the Register of Deeds for Catawba County, N. C., this 10th day of April, 1925, at 2:45 o'clock P. M., in book 180 of Deeds page 511 etc. J. C. Rudisill Register of Deeds.

440

#1685.---80

138X

185/440

WARRANTY DEED

STATE OF NORTH CAROLINA--CATAWBA COUNTY

THIS DEED, Made this 13th day of Sept. 1925 by D.E.Wagner and wife S.E.Wagner.

of Catawba County and State of N.C. of the first part, to Earl Propst, of Catawba County and State of N.C. of the second part

WITNESSETH, that said parties of the first part in consideration of Four hundred Sixty Five Dollars to them paid by party of the second part

the receipt of which is hereby acknowledged, he vs bargained and sold, and by these presents do grant, bargain, sell and convey to said party of the second part

heirs and assigns, a certain tract or parcel of land in Catawba County, State of North Carolina, adjoining the lands of Earl Propst,

Beginning at a stake Earl Propst's corner, and running S.25-1/4 W. 24 poles to a stake in the Newton Road; thence with said road S.63 1/2 E. 14 poles to a stake; thence N.41-3/4 E. 32-16/25 poles to a stake in Earl Propst's line; thence with said Propst, line N.84 W. 26-4/5 poles to the beginning, containing 3-1/10 acres more or less.

TO HAVE AND TO HOLD the aforesaid tract or parcel of land, and all privileges and appurtenances thereto belonging to the said parties of the first part, their heirs and assigns, to their only use and behoof forever.

And the said parties of the first part for them sel. vs and their heirs, executors and administrators, covenant with said party of the second part his heirs and assigns, that they are seized of said premises in fee and have right to convey in fee simple; that the same are free and clear from all encumbrances, and that they do hereby forever warrant and will forever defend the said title to the same against the claims of all persons whomsoever

IN TESTIMONY WHEREOF, the said parties of the first part he vs hereunto set their hand, S. and seal, the day and year first above written.

Attest HERBERT D. FRY, D.E.WAGNER (SEAL) S.E.WAGNER (SEAL)

STATE OF NORTH CAROLINA, CATAWBA County, HERBERT D FRY hereby certify that

D.E.WAGNER and S.E.WAGNER his wife, personally appeared before me this day and acknowledged the due execution of the annexed Deed of Conveyance; and the said S.E.WAGNER being by me privately examined, separate and apart from her said husband, touching her voluntary execution of the same, doth state that she signed the same freely and voluntarily, without fear or compulsion of her said husband, or any other person, and that she doth still voluntarily, assent thereto. Let the instrument, with this certificate be registered.

Witness my hand and official seal, this 13th day of Sept. A. D. 1925. GERRARD FOX Herbert D Fry, J.P.

STATE OF NORTH CAROLINA, Catawba County, The foregoing certificate of Herbert D Fry J.P. of Catawba County, is adjudged to be correct and the foregoing deed is adjudged to have been duly acknowledged and proven.

Let the instrument with the certificate be registered. Witness my hand, this 7 day of Apr. A. D. 1925. J.C.Rudisell, Clerk Superior Court.

Filed for registration on the 6 day of April, 1925, at 10 o'clock AM, in the office of the Register of Deeds for Catawba County, N.C., this 10 day of April, 1925, at 10 o'clock AM, in Book 188 of Deeds, on page 440, etc.

Handwritten signature of J.C. Rudisell, Register of Deeds.

130

WARRANTY DEED.

148/130
6105

STATE OF NORTH CAROLINA,
 Catawba County, THIS DEED, made this 12 day of Dec. 1918,
 by David S. Eckard & wife J. E. Eckard
 of Catawba County and State of N. Car., of the first part, to
 Carl Probst
 of Catawba County and State of N. Car., of the second part,
 WITNESSETH, That said David S. Eckard & wife J. E. Eckard
 in consideration of the sum of one thousand & twenty DOLLARS, to them paid by
 Carl Probst the receipt of which is hereby acknowledged, have bargained and
 sold, and by these presents do bargain, sell and convey, to said Carl Probst
 and his heirs and assigns, tract
 of land in Catawba County, State of N. Car., adjoining the lands of
 A. L. Waggoner & J. E. Eckard and others, and bounded as follows, viz:

Fifth lot beginning at a stone wagoner corner and running S. 85
 E. 56 pole to a stone in wagoner line with second lot, thence
 N. 42 E. 49 pole to a stone in meadow, thence S 85° W 53 3/4 pole to
 stone in wagoner line, thence S 51° W 48 3/4 pole to beginning.
 Containing 1 1/4 acres or more or less.

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TO HAVE AND TO HOLD the aforesaid tract of land and all privileges and
 appurtenances thereto belonging to the said Carl Probst, his
 heirs and assigns, to them only use and behoof forever.
 And the said David S. Eckard & wife J. E. Eckard for themselves and their
 heirs, executors and administrators, covenant with said Carl Probst, his
 heirs and assigns, that they will warrant and defend the same against the claims of all persons who may
 and clear from all encumbrances, and that they will warrant and defend the same against the claims of all persons who may
 IN TESTIMONY WHEREOF, The said David S. Eckard & wife J. E. Eckard
 have hereunto set their hands and seals the day and year above written.
 Attest: W. A. Sumner, J. P. David S. Eckard. (SEAL)
 J. E. Eckard. (SEAL)

STATE OF NORTH CAROLINA,
 Catawba County, I, W. A. Sumner, Justice of the Peace,
 do hereby certify that David S. Eckard and his wife, appeared before me this day and acknowledged the due execution of the annexed Deed of
 his wife, personally appeared before me this day and acknowledged the due execution of the within Deed of Conveyance and the said
 touching her voluntary execution of the same, doth state that she signed the same freely and voluntarily, without fear or compulsion of her said
 husband or any other person, and that she doth still voluntarily assent thereto. Let the same, with this certificate, be registered.
 Witness my hand and official seal, this 12 day of Dec. A. D. 1918
 (SEAL)

STATE OF NORTH CAROLINA,
 Catawba County, I, W. A. Sumner, Justice of the Peace,
 do hereby certify that David S. Eckard and his wife, appeared before me this day and acknowledged the due execution of the within Deed of Conveyance and the said
 his wife, personally appeared before me this day and acknowledged the due execution of the within Deed of Conveyance and the said
 touching her voluntary execution of the same, doth state that she signed the same freely and voluntarily, without fear or compulsion of her said
 husband or any other person, and that she doth still voluntarily assent thereto.
 Witness my hand and private seal, this 12 day of Dec. A. D. 1918
 (SEAL)

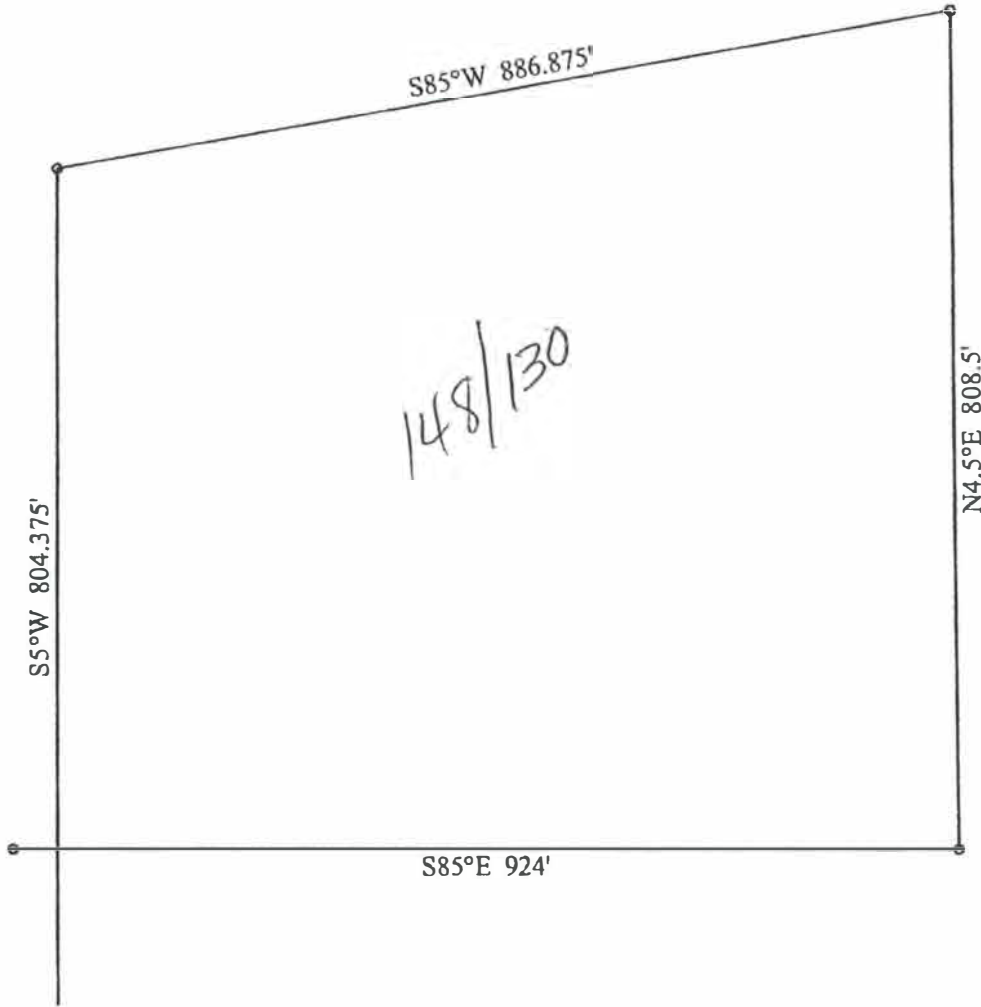
STATE OF NORTH CAROLINA,
 Catawba County, The foregoing certificate of W. A. Sumner
 J. P. of Catawba County, is adjudged to be in due form and according
 to law. Therefore, let the same, with the certificate, be registered.
 Witness my hand and official seal, this 8 day of Dec. A. D. 1919
 Clerk Superior Court

Filed for registration on the 8 day of Dec. 1919 at 3 o'clock P. M., and registered
 at 3:45 o'clock P. M., on the 8 day of Dec. 1919,
 Neugene Sisson Register of Deeds.

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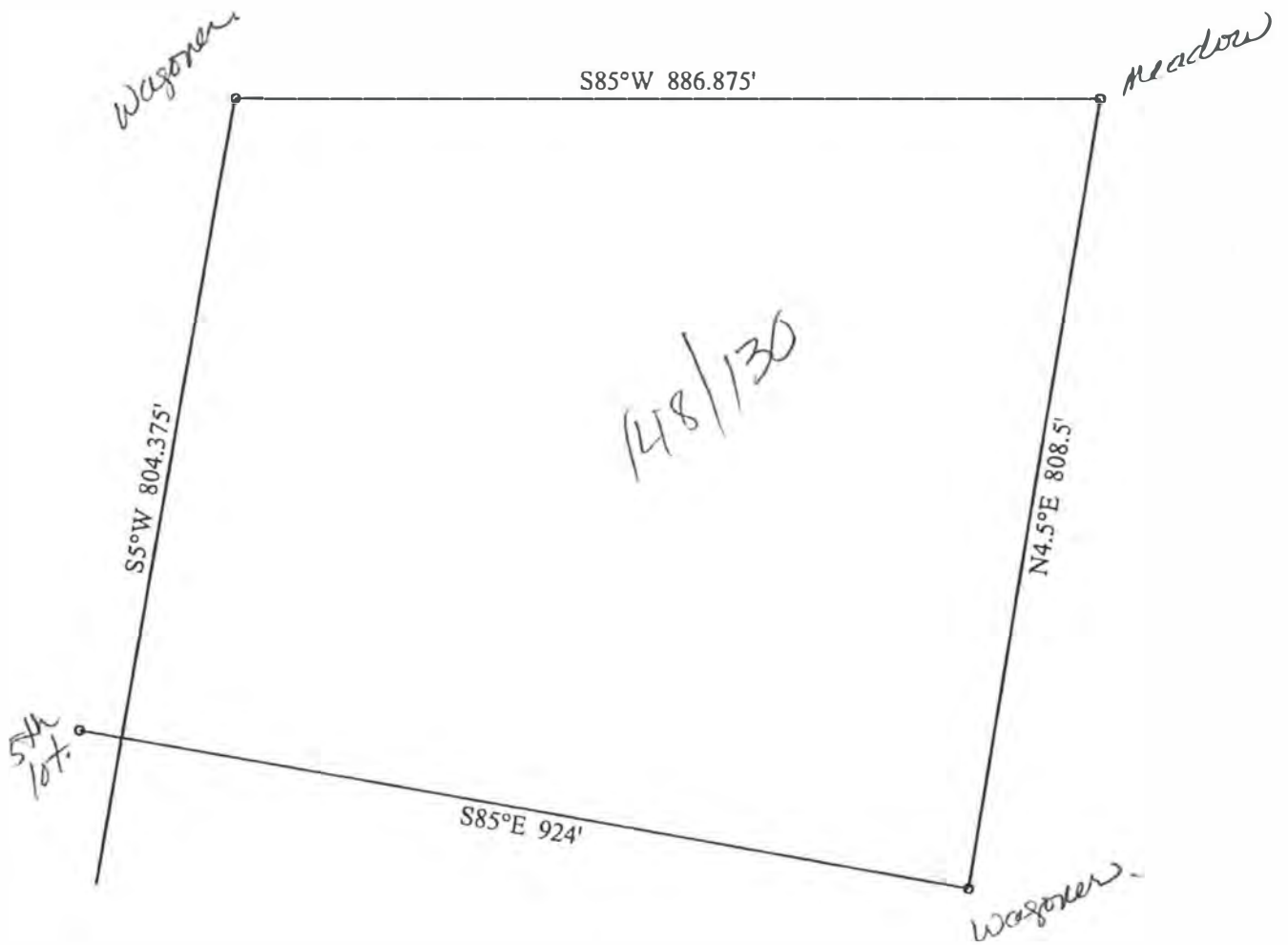
Scale: 1 inch = 174 feet
Area: 14.657 acres (638,452.80 square feet)



1. S85°E 924'
2. N4.5°E 808.5'
3. S85°W 886.875'
4. S5°W 804.375'



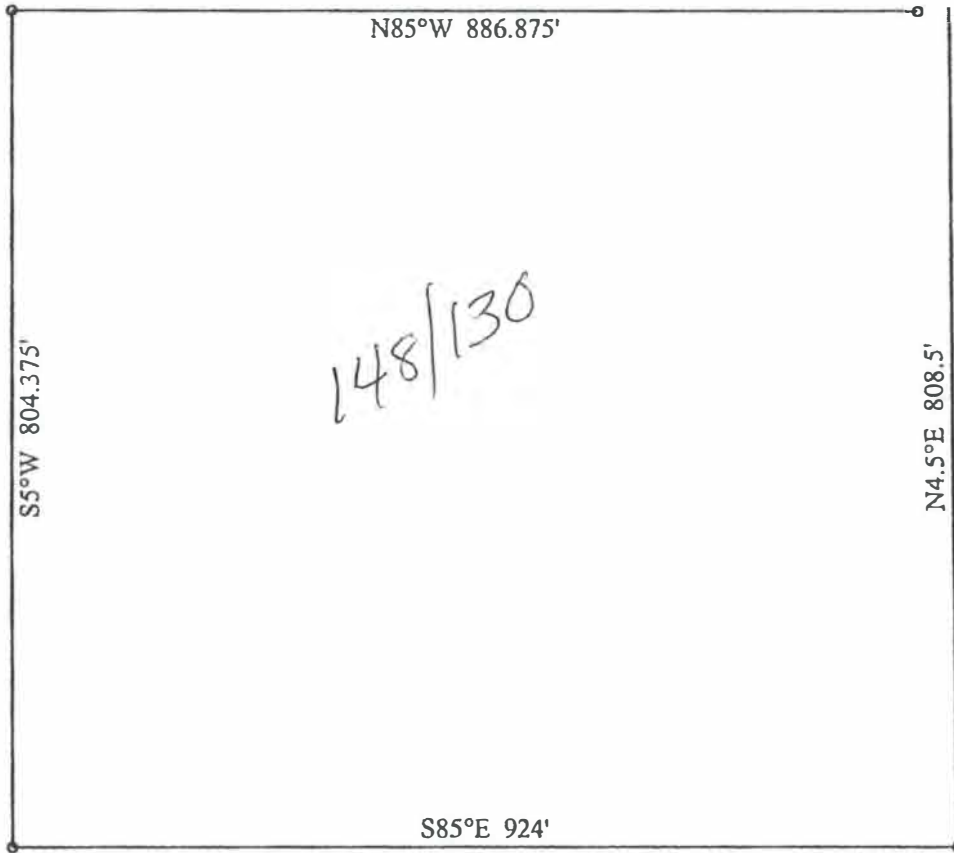
Scale: 1 inch = 174 feet
Area: 14.657 acres (638,452.80 square feet)



1. S85°E 924'
2. N4.5°E 808.5'
3. S85°W 886.875'
4. S5°W 804.375'



Scale: 1 inch = 174 feet
Area: 16.999 acres (740,480.90 square feet)



1. N85°W 886.875'
2. S5°W 804.375'
3. S85°E 924'
4. N4.5°E 808.5'

6104

148/129

WARRANTY DEED.

MALCOLM, EVANS & COHEN, CO., REGISTER, N. C. 0280

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STATE OF NORTH CAROLINA,
Catawba County. } THIS DEED, made this 5 day of Dec. 1918
by Kirby Simmons & wife Bessie Simmons
of Catawba County and State of N. Car., of the first part, to
of Carl Probst
of Catawba County and State of N. Car., of the second part,

WITNESSETH, That said Kirby Simmons, in consideration of the sum of one hundred and eighty five DOLLARS, to them paid by part of secured part the receipt of which is hereby acknowledged, in bargained and sold, and by these presents do, to him, sell and convey, to said Carl Probst and heirs and assigns, of and in Catawba County, State of N. Car. adjoining the lands of the Lockards, S. C. Wagner. and others, and bounded as follows, viz:

Fourth Tract: Beginning at a stone S.C. corner of third tract, and running N. 87 W 5 1/2 poles to stone in Wagner's line, thence with his line S. 55 3/4 poles to a stone, thence S. 85 1/2 55 3/4 poles to a stone in a meadow, corner with first and second lots, thence N. 46. 5 1/4 poles to beginning, containing 18 3/8 acres be same more or less.

1.00 Rev.

18.375

TO HAVE AND TO HOLD the aforesaid tract of land and all privileges and appurtenances thereto belonging to the said Carl Probst, his heirs and assigns, to them only use and behoof forever. And the said Kirby Simmons and wife Bessie Simmons for sell and heirs, executors and administrators, covenant with said Carl Probst, his heirs and assigns, that they are seized of said premises in fee, and in fee the right to convey the same in fee simple; that the same are free and clear from all encumbrances, and that they will warrant and defend the said title to the same against the claims of all persons whomsoever.

IN TESTIMONY WHEREOF, The said Kirby Simmons and wife Bessie Simmons in the hereto set their hand and seal, the day and year above written.
Attest: J. C. Murphy Kirby Simmons (SEAL)
Bessie Simmons (SEAL)

STATE OF NORTH CAROLINA,
Catawba County. } I, J. C. Murphy, N. C.
do hereby certify that Kirby Simmons and Bessie Simmons
his wife, appeared before me this day and acknowledged the due execution of the annexed Deed of conveyance, and the said Bessie Simmons being by me privately examined, separate and apart from her said husband, touching her voluntary execution of the same, doth state that she signed the same freely and voluntarily, without fear or compulsion of her said husband or any other person, and that she doth still voluntarily assent thereto. Let the same, with this certificate, be registered.
Witness my hand and official seal, this 5 day of Dec. A. D. 1918
J. C. Murphy (SEAL)

STATE OF NORTH CAROLINA,
Catawba County. } I, Justice of the Peace,
do hereby certify that _____ and _____
his wife, personally appeared before me this day and acknowledged the due execution of the within Deed of _____ and the said _____ being by me privately examined, separate and apart from her said husband, touching her voluntary execution of the same, doth state that she signed the same freely and voluntarily, without fear or compulsion of her said husband or any other person, and that she doth still voluntarily assent thereto.
Witness my hand and private seal, this _____ day of _____ A. D. 19____
J. P. (Seal)

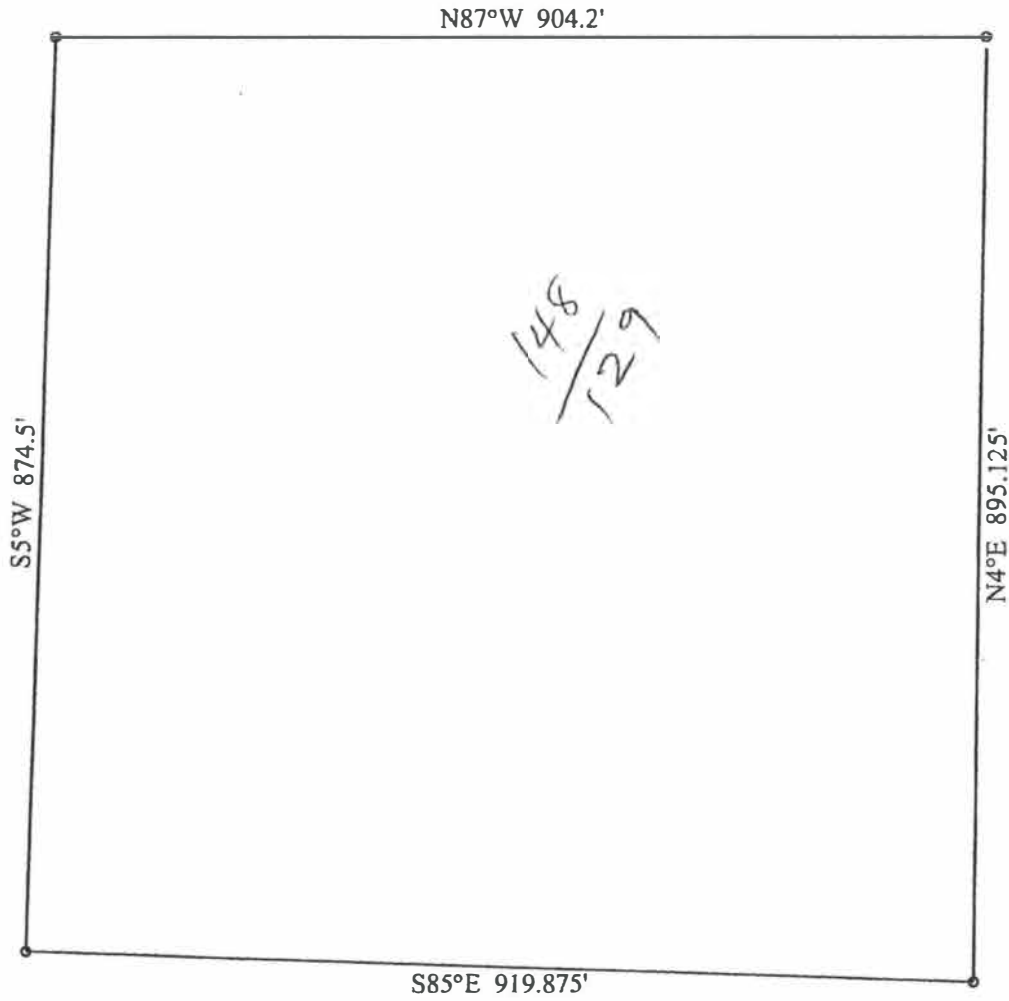
STATE OF NORTH CAROLINA,
Catawba County. } The foregoing certificate of J. C. Murphy
N. C. of Catawba County, is judged to be in due form and according
to law. Therefore, let the same, with the certificate, be registered.
Witness my hand and official seal, this 8 day of Dec. A. D. 1919
J. S. [Signature] Clerk Superior Court.

Filed for registration on the 8 day of Dec. 1919, at 3 o'clock P. M., and registered at 3:30 o'clock P. M. on the 8 day of Dec. 1919
N. S. [Signature] Register of Deeds.

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Scale: 1 inch = 173 feet
Area: 18.642 acres (812,033.50 square feet)



1. N87°W 904.2'
2. S5°W 874.5'
3. S85°E 919.875'
4. N4°E 895.125'

WARRANTY DEED.

6876

150/297

MALCOLM, EVANS & COBURN, CO., CHARLOTTE, N. C. 28520

STATE OF NORTH CAROLINA,
 Catawba County, }
 by Euro Harupp a widower
 of Catawba County and State of North Carolina, of the first part, to
 of Catawba County and State of North Carolina, of the second part,
 WITNESSETH, That said parties of the first part
 in consideration of the sum of Five Hundred & fifty \$550.00 DOLLARS, to him paid by
Earl Probst, the receipt of which is hereby acknowledged, has been bargained and
 sold, and by these presents do convey, sell and convey, to said Earl Probst
 and his heirs and assigns, a certain tract or parcel
 of land in Catawba County, State of North Carolina, adjoining the lands of
Mourne Bumgarner and others, and bounded as follows, viz.:
Beginning at a stake on the old line, corner of lot No 3
and also Mourne Bumgarner's corner, and running thence
with Bumgarner's line N. E. 53 poles to a stone his corner
thence with said Bumgarner's line, North 3 East 46 poles to
a stake, his corner, thence West 53 poles to a stake on the
old line, thence along the old line, South 3 West 46 poles
to the point of beginning, containing 15 acres
more or less.
 This being the same land described in a deed from
A. Travis and wife to Euro Harupp dated Nov. 19
1880 which deed is registered in the Office of the
Register of Deeds for Catawba Co. in Book 28 page 456
 Rev. 1.50

TO HAVE AND TO HOLD the aforesaid tract of land and all privileges and
 appurtenances thereto belonging to the said Earl Probst
 heirs and assigns, to his only use and behoof forever.
 And the said parties of the first part for himself and his
 heirs, executors and administrators, covenant with said Earl Probst
 heirs and assigns, that he is seized of said premises in fee, and has the right to convey the same in fee simple; that the same are free
 and clear from all encumbrances, and that he will warrant and defend the said title to the same against the claims of all persons whomsoever.
 IN TESTIMONY WHEREOF, The said Euro Harupp
 has hereunto set his hand and seal, the day and year above written.
 Attest: J. W. Williams (SEAL)
Earl Probst (SEAL)

STATE OF NORTH CAROLINA,
Catawba County, }
 do hereby certify that Euro Harupp
 his wife, appeared before me this day and acknowledged the due execution of the annexed Deed of conveyance, and the said
 being by me privately examined separate and apart from her said husband,
 touching her voluntary execution of the same, doth state that she signed the same freely and voluntarily, without fear or compulsion of her said
 husband or any other person, and that she doth still voluntarily assent thereto. Let the same, with this certificate, be registered.
 Witness my hand and official seal, this 29 day of April A. D. 1920
J. P. (Seal)

STATE OF NORTH CAROLINA,
 County, }
 do hereby certify that _____ and _____
 his wife, personally appeared before me this day and acknowledged the due execution of the within Deed of _____, and the said
 being by me privately examined, separate and apart from her said husband,
 touching her voluntary execution of the same, doth state that she signed the same freely and voluntarily, without fear or compulsion of her said
 husband or any other person, and that she doth still voluntarily assent thereto.
 Witness my hand and private seal, this _____ day of _____ A. D. 19____
 J. P. (Seal.)

STATE OF NORTH CAROLINA,
Catawba County, }
 The foregoing certificate of J. W. Williams
N. C. of Catawba County, is judged to be in due form and according
 to law. Therefore, let the same, with the certificate, be registered.
 Witness my hand and official seal, this 22 day of April A. D. 1920
J. P. (Seal)
 Clerk, Superior Court.

Filed for registration on the 22 day of April 1920 at 3 o'clock P M., and registered
 at 3:25 o'clock P M. on the 22 day of April 1920
J. P. (Seal)
 Register of Deeds.

**RESOLUTION 22-
RESOLUTION FIXING DATE OF PUBLIC HEARING ON QUESTION OF ANNEXATION,
PURSUANT TO G.S. 160A-31 OR G.S. 160A-58.1, AS AMENDED**

WHEREAS, a petition requesting annexation of the area described herein has been received; and

WHEREAS, the City Council of the City of Hickory has, by Resolution, directed the clerk to investigate the sufficiency thereof; and

WHEREAS, certification by the Clerk as to the sufficiency of said petition has been made.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HICKORY:

Section 1: That a public hearing on the question of annexation of the area described herein will be held at 7:00 p.m. on March 1, 2022, in the Council Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.

Section 2: The area proposed for annexation is described as follows:

Located on Section House Road, between 34th Street Place NE and Sipe Road, Containing Approximately 47.40 acres more or less, PIN 3723-08-89-6240

Section 3: Notice of said public hearing shall be published in *The Hickory Daily Record*, a newspaper having general circulation in the City of Hickory, at least ten (10) days prior to the date of said public hearing.

Hank Guess
Mayor

Warren Wood, City Manager

Approved As To Form:



Deputy City Attorney for the City of Hickory

RESOLUTION NO. 22-___

A RESOLUTION DETERMINING THE INTENT TO ANNEX INTO THE CORPORATE LIMITS OF THE CITY OF HICKORY CERTAIN PROPERTY OWNED BY EARL ERRAND PROPST HEIRS AND CALLING FOR A PUBLIC HEARING ON THE SAME

WHEREAS, Earl Errand Propst Heirs are the owners of certain real property as described herein, which property is located on Section House Road between 34th Street Place NE and Sipe Road, containing approximately 47.40 acres and identified as PIN 3723-08-89-6240.

WHEREAS, such property is currently located in the City's extra-territorial jurisdictional (ETJ); and

WHEREAS, it is in the best interest of the health, safety, and well-being of the residents of the City of Hickory to annex such property into the corporate limits of the City of Hickory as authorized by N.C.G.S. Section 160A-31; and

NOW, THEREFORE BE IT RESOLVED by the Hickory City Council, sitting in open session this 15th day of February 2022, at a regularly scheduled meeting of the governing body of said Council, duly called and posted in accordance with the statutes of the State of North Carolina, as follows:

Section 1: That the Hickory City Council does determine that it is in the best interest of the health, safety, and well-being of the residents of the City of Hickory to annex the property described hereinafter into the corporate limits of the City of Hickory.

Section 2: That a public hearing on the question of annexation of the area described herein will be held at 7:00 p.m. on March 1, 2022, in the Council Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.

Section 3: The same being that property reflected on maps entitled Earl Propst Heirs, Voluntary Non-Contiguous Annexation Map 1, Current City Boundary, subject property outlined in red; Earl Propst Heirs, Voluntary Non-Contiguous Annexation Map 2, Current Zoning, subject property outlined in red; and Earl Propst Heirs, Voluntary Non-Contiguous Annexation Map 3, Aerial Photography, subject property outlined in red

Section 4: Notice of said public hearing shall be published in *The Hickory Daily Record*, a newspaper having general circulation in the City of Hickory, at least ten (10) days prior to the date of said public hearing.

Done this 15th day of February 2022.

(SEAL)

THE CITY OF HICKORY, A
North Carolina Municipal Corporation

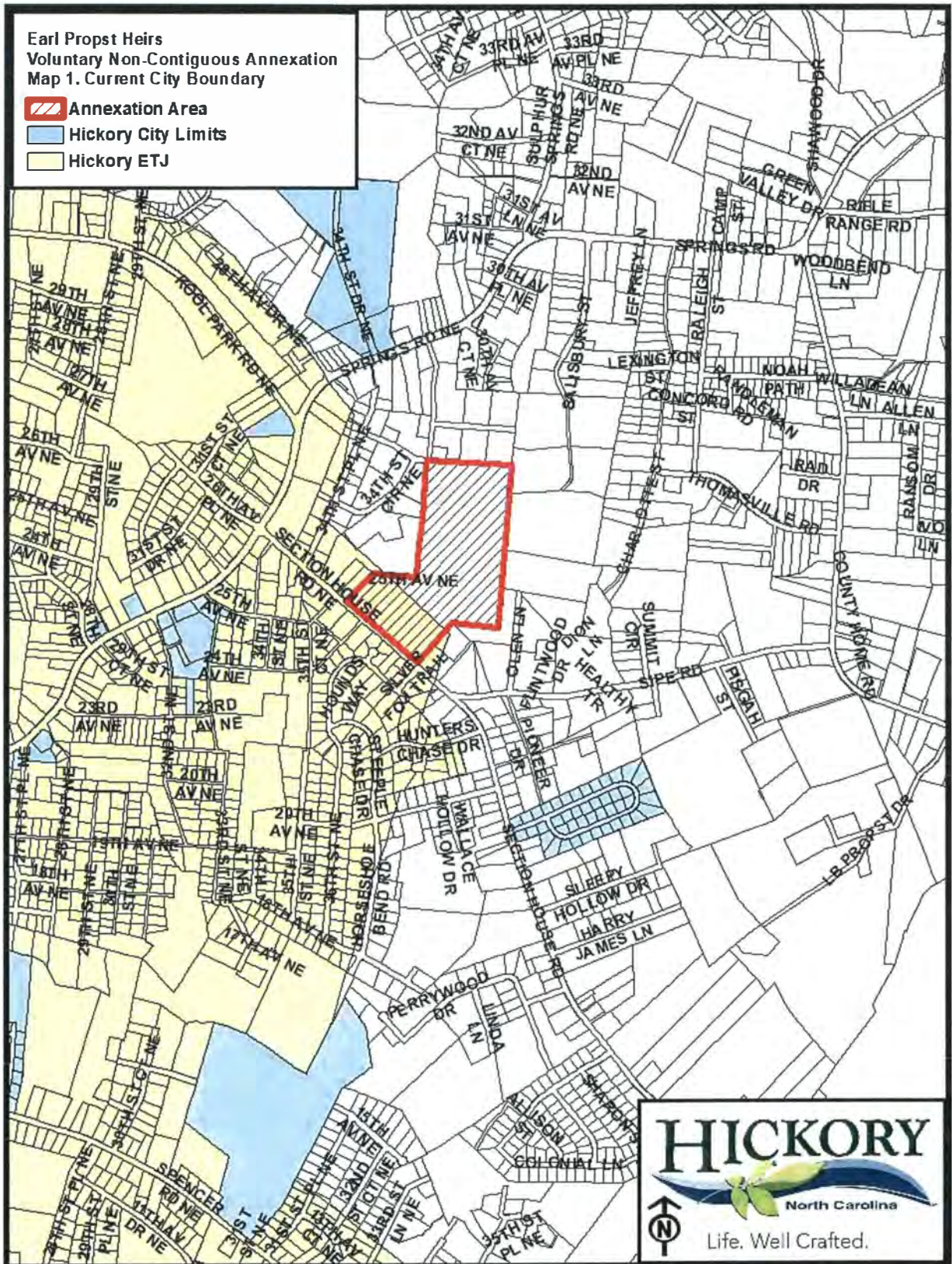
Attest:

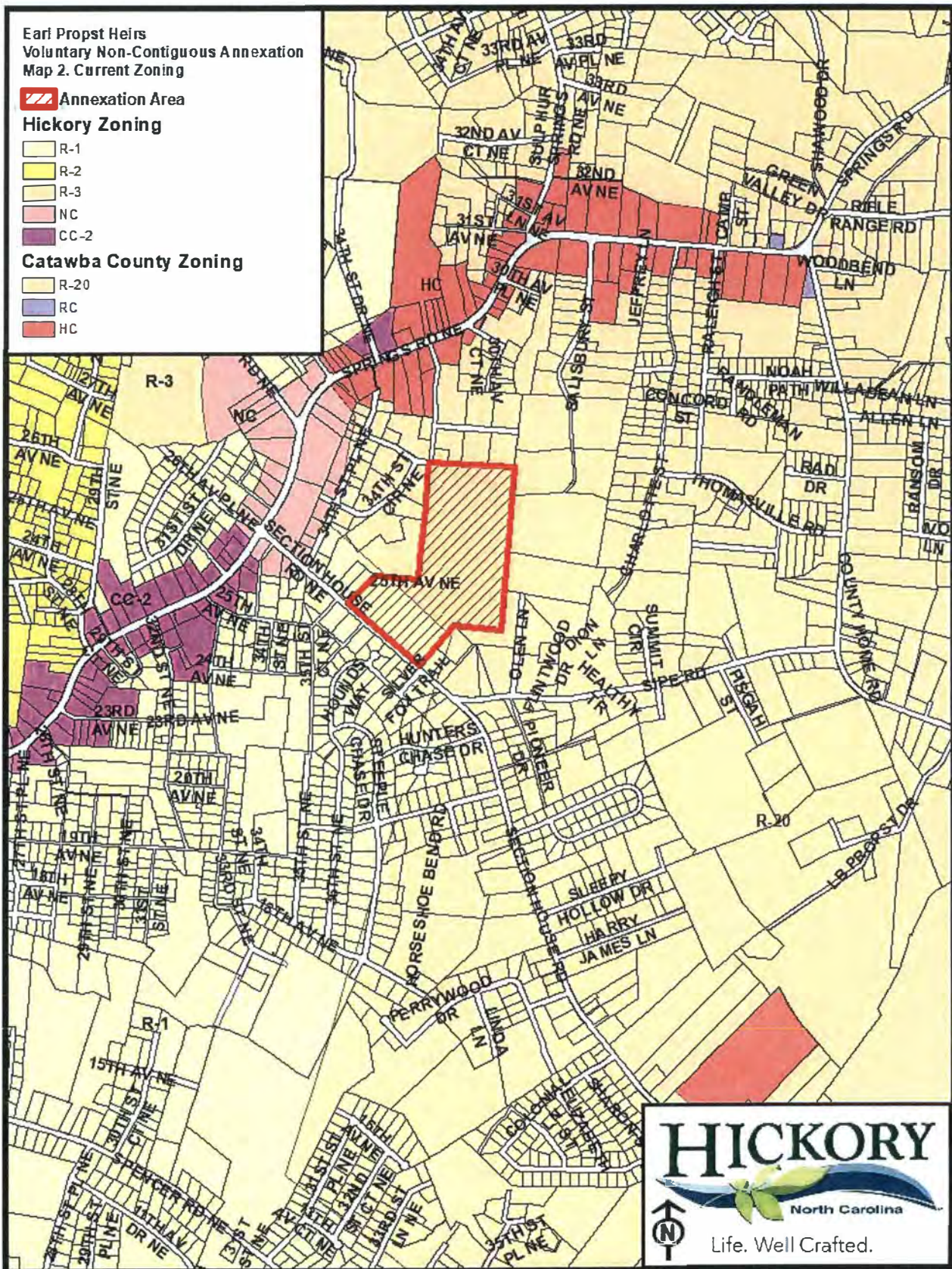
By: _____
Hank Guess, Mayor

Debbie D. Miller, City Clerk

Approved as to form on behalf of the City of Hickory:

Arnita Dula, Deputy City Attorney







COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Melissa Miller, Finance Officer

Contact Person: Melissa Miller, Finance Officer

Date: February 3, 2022

Re: Approval of a Three-Year Auditing Contract with Martin Starnes & Associates

REQUEST

Staff requests approval to accept a three-year contract for auditing services with Martin Starnes & Associates.

BACKGROUND

Martin Starnes & Associates was established in 1987 and has continued to grow with offices in Hickory and Taylorsville. Their Hickory office offers a convenient location for City of Hickory staff to work with MSA accounting personnel. Martin Starnes & Associates sponsors a variety of North Carolina Government Finance Officer events throughout the state and has become a leader in their work with local governments.

The City of Hickory has utilized the services of Martin Starnes & Associates for the past ten years with excellent results. Martin Starnes & Associates was also contracted to produce the City's Comprehensive Annual Financial Report.

ANALYSIS

The North Carolina Local Government Commission (LGC) does not enforce formal bid requirements for auditing services due to the professional relationship formed between auditors and clients over an extended work history. The Secretary of the Local Government Commission approves all local government contracts for audit or audit-related work.

Martin Starnes & Associates offers a competitive rate for their services and is widely known for their professional staff and service throughout the local government community. The proposed fees for the City for fiscal years ending June 30, 2022 – 2024 are as follows:

	Financial Statement			
	Audit	Preparation	AFIR	Total
2022	\$ 53,700	\$ 7,500	\$ 3,000	\$ 64,200 *
2023	56,910	7,500	3,000	67,410 *
2024	60,280	7,500	3,000	70,780 *

*Plus single audit fees of \$3,500 per major program in excess of 3

RECOMMENDATION

Staff recommends approval to accept a three-year contract for auditing services with Martin Starnes & Associates.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

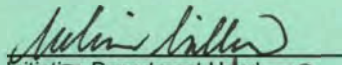
Yes

No

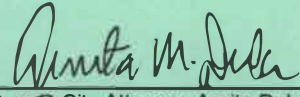
LIST THE EXPENDITURE CODE:

010-4400-513.46-02

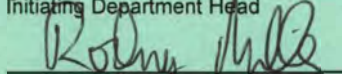
Reviewed by:


Initiating Department Head

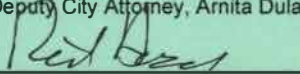
2/3/22
Date


Deputy City Attorney, Arnita Dula

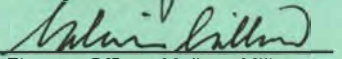
2-4-22
Date


Deputy City Manager/CFO Rodney Miller

2/8/22
Date


Asst. City Manager, Rick Beasley

2/7/22
Date

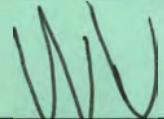

Finance Officer, Melissa Miller

2/3/22
Date


Asst. Finance Officer, Cameron McHargue

2-7-22
Date

Recommended for approval and placement on February 15, 2022 Council agenda
(as Consent, Public Hearing, Informational, Department Report, etc).


City Manager, W. Wood

2-8-22
Date

MARTIN STARNES

& ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

February 2, 2022

Melissa Miller, Finance Officer
City of Hickory
76 N. Center Street
Hickory, NC 28601

Dear Melissa,

It has been a pleasure to provide audit services to the City of Hickory for the past several years. We are looking forward to a continued relationship with the City that will allow us to become more efficient in our procedures and offer even better management suggestions as a result of our knowledge of the City's operations.

The audit relationship is much more than a commodity product. Therefore, the Local Government Commission does not require the services to be re-bid at the end of a service agreement. We are proud of the level of service we offer and believe that to be the reason we have an excellent renewal rate with our government clients. We would rather negotiate a renewal of our agreement rather than subject the relationship to the bidding process.

We are required by our auditing standards to maintain our independence, and we can assure the City that Martin Starnes & Associates takes compliance with the independence standard seriously. We reinvent the audit process each year during the planning stage to make sure we are addressing the pertinent risk areas of the City's audit. Therefore, a long audit relationship, if managed properly, is a great benefit to the City.

Audit contracts must be approved annually by the Local Government Commission. For your planning purposes, our estimated fees to provide our services to you in the future are shown in the table below. These are estimated fees only. Governmental and rule-making boards may add or change their requirements related to our services which may change these estimates. The actual fee agreement will be set forth in the annual contract signed for the relevant year.

Our proposed fees for the City of Hickory for fiscal years ending June 30, 2022 – 2024 are as follows:

	Financial Statement			
	<u>Audit</u>	<u>Preparation</u>	<u>AFIR</u>	<u>Total</u>
2022	\$ 53,700	\$ 7,500	\$ 3,000	\$ 64,200 *
2023	56,910	7,500	3,000	67,410 *
2024	60,280	7,500	3,000	70,780 *

*Plus single audit fees of \$3,500 per major program in excess of 3

The fees listed above include the following:

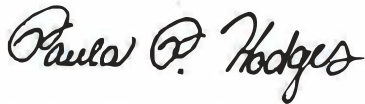
- Single Audit testing (up to 3 major programs)
- MSA drafting the financial statements and footnotes
- Submission of the report to the LGC
- Preparation of the auditor portions of the Data Collection Form, as required
- AFIR preparation
- Presentation to the City Council

Items to be billed separately (outside of the audit contract):

- LGC data input worksheet preparation
- Printing costs (per report copy)

I am looking forward to your acceptance of our service renewal agreement.

Sincerely,




Paula P. Hodges, CPA
Audit Partner

If you agree with the service renewal agreement above, please sign a copy of this letter in the space indicated and return it to our office by emailing to Amber McGhinnis at amcghinnis@msa.cpa.

Accepted by: _____

Title: _____ Date: _____

Approved as to form



City of Hickory – Legal Dept.

This instrument has been preaudited
in the manner required by the Local
Government Budget and Fiscal
Control Act.



City of Hickory
Finance Officer

MARTIN ♦ STARNES

& ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

February 3, 2022

Melissa Miller, Finance Officer
City of Hickory
76 N. Center Street
Hickory, NC 28601

You have requested that we audit the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hickory, NC, as of June 30, 2022, and for the year then ended, and the related notes to the financial statements, which collectively comprise the City of Hickory's basic financial statements as listed in the table of contents.

In addition, we will audit the entity's compliance over major federal and state award programs for the period ended June 30, 2022. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the entity's major federal and state award programs. The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and in accordance with *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the entity complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and *Government Auditing Standards*, if any, and perform procedures to address those requirements.

Accounting principles generally accepted in the United States of America require that certain supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis
- Law Enforcement Officers' Special Separation Allowance schedules
- Other Post-Employment Benefits' schedules
- Local Government Employees' Retirement System's schedules

Supplementary information other than RSI will accompany the City of Hickory's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

- Combining and individual fund financial statements
- Budget and actual schedules
- Supplemental ad valorem tax schedules
- Other schedules
- Schedule of Expenditures of Federal and State Awards

Schedule of Expenditures of Federal and State Awards

We will subject the Schedule of Expenditures of Federal and State Awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the Schedule of Expenditures of Federal and State Awards is presented fairly in all material respects in relation to the financial statements as a whole.

The following additional information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information:

- Introductory section
- Statistical section

Data Collection Form (if applicable)

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, Schedule of Expenditures of Federal and State Awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the Federal Audit Clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the Federal Audit Clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the *earlier* of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Audit of the Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. As part of an audit of financial statements in accordance with GAAS and in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Hickory's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is

properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of the City of Hickory's basic financial statements. Our report will be addressed to the governing body of the City of Hickory. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Audit of Major Program Compliance

Our audit of the City of Hickory's major federal and state award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended, the Uniform Guidance, and the State Single Audit Implementation Act, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and the State Single Audit Implementation Act and other procedures we consider necessary to enable us to express such an opinion on major federal and state award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance and the State Single Audit Implementation Act require that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal and state award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the entity's compliance based on the audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the entity's compliance with the requirements of the federal or state programs as a whole.

As part of a compliance audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal and state programs and, performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs, and performing such other procedures as we consider necessary in the circumstances. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance and the State Single Audit Implementation Act.

Also, as required by the Uniform Guidance and the State Single Audit Implementation Act, we will obtain an understanding of the entity's internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal and state award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the entity's major federal and state award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Management's Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
3. For identifying, in its accounts, all federal and state awards received and expended during the period and the federal and State programs under which they were received;
4. For maintaining records that adequately identify the source and application of funds for federal and state funded activities;
5. For preparing the Schedule of Expenditures of Federal and State Awards (including notes and noncash assistance received) in accordance with the Uniform Guidance and State Single Audit Implementation Act;
6. For designing, implementing, and maintaining effective internal control over federal and state awards that provides reasonable assurance that the entity is managing federal and state awards in compliance with federal and state statutes, regulations, and the terms and conditions of the federal and state awards;
7. For identifying and ensuring that the entity complies with federal and state laws, statutes, regulations, rules, provisions of contracts or grant agreements, and the terms and conditions of federal and state award programs, and implementing systems designed to achieve compliance with applicable federal and state statutes, regulations and the terms and conditions of federal and state award programs;
8. For disclosing accurately, currently and completely the financial results of each federal and state award in accordance with the requirements of the award;

9. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
10. For taking prompt action when instances of noncompliance are identified;
11. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
12. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
13. For submitting the reporting package and data collection form to the appropriate parties;
14. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
15. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including the disclosures, and relevant to federal and state award programs, such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit;
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
 - d. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report (if applicable); and
 - e. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report (if applicable).
16. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year or period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
17. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
18. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
19. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant roles in internal control and others where fraud could have a material effect on compliance;
20. For the accuracy and completeness of all information provided;
21. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
22. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the Schedule of Expenditures of Federal and State Awards referred to above, you acknowledge and understand your responsibility (a) for the preparation of the Schedule of Expenditures of Federal and State Awards in accordance with the Uniform Guidance and the State Single Audit Implementation Act, (b) to provide us with the appropriate written representations regarding the Schedule of Expenditures of Federal and State Awards, (c) to include our report on the Schedule of Expenditures of Federal and State Awards in any document that contains the Schedule of Expenditures of Federal and State Awards and that indicates that we have reported on such schedule, and (d) to present the Schedule of Expenditures of Federal and State Awards with the audited financial statements, or if the schedule will not be presented with the audited financial statements, to make the audited basic financial statements readily available to the intended users of the Schedule of Expenditures of Federal and State Awards no later than the date of issuance by you of the schedule and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Nonattest Services

We will perform the following nonattest services:

- Draft of financial statements and footnotes
- GASB 34 conversion entries
- Preparation of auditor portions of Data Collection Form
- Preparation of AFIR
- Preparation of LGC's data input worksheet

We will not assume management responsibilities on behalf of the City of Hickory. However, we will provide advice and recommendations to assist management of the City of Hickory in performing its responsibilities.

The City of Hickory's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards.
- The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account codings and approving journal entries.

Other

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

During the course of the engagement, a portal will be in place for information to be shared, but not stored. Our policy is to terminate access to this portal after one year. The City is responsible for data backup for business continuity and disaster recovery, and our workpaper documentation is not to be used for these purposes.

Provisions of Engagement Administration and Fees

Paula Hodges is the engagement partner for the audit services specified in this letter. Her responsibilities include supervising Martin Starnes & Associates, CPAs, P.A.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report. To ensure that our independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

Our fees for these services are as follows:

Audit Fee	\$ 56,700
Financial Statement Drafting	7,500
Other Non-Attest Services	-
	<u>\$ 64,200</u>

Additional Fees:

Charge per major program in excess of 3	<u>\$ 3,500</u>
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Our invoices for these fees will be rendered in four installments as work progresses and are payable upon presentation. In accordance with our firm policies, work may be suspended if your account becomes overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for non-payment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our reports. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the City of Hickory's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

We want our clients to receive the maximum value for our professional services and to perceive that our fees are reasonable and fair. In working to provide you with such value, we find there are certain circumstances that can cause us to perform work in excess of that contemplated in our fee estimate.

Following are some of the more common reasons for potential supplemental billings:

Changing Laws and Regulations

There are many governmental and rule-making boards that regularly add or change their requirements. Although we attempt to plan our work to anticipate the requirements that will affect our engagement, there are times when this is not possible. We will discuss these situations with you at the earliest possible time in order to make the necessary adjustments and amendments in our engagement.

Incorrect Accounting Methods or Errors in Client Records

We base our fee estimates on the expectation that client accounting records are in order so that our work can be completed using our standard testing and accounting procedures. However, should we find numerous errors, incomplete records, or the application of incorrect accounting methods, we will have to perform additional work to make the corrections and reflect those changes in the financial statements.

Failure to Prepare for the Engagement

In an effort to minimize your fees, we assign you the responsibility for the preparation of schedules and documents needed for the engagement. We also discuss matters such as availability of your key personnel, deadlines, and work space. If your personnel are unable, for whatever reasons, to provide these items as previously agreed upon, it might substantially increase the work we must do to complete the engagement within the scheduled time.

Starting and Stopping Our Work

If we must withdraw our staff because of the condition of the client's records, or the failure to provide agreed upon items within the established timeline for the engagement, we will not be able to perform our work in a timely, efficient manner, as established by our engagement plan. This will result in additional fees, as we must reschedule our personnel and incur additional start-up costs.

Our fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our fees for such services range from \$75-\$300 per hour.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to management and those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;

- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management’s consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Martin Starnes & Associates, CPAs, P.A. and constitutes confidential information. However, we may be requested to make certain audit documentation available to the Local Government Commission, Office of the State Auditor, federal or State agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Martin Starnes & Associates, CPAs, P.A.’s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm to the Contract to Audit Accounts for your consideration and files.

Please sign and return a copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements and compliance over major federal and state award programs, including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of the City of Hickory by:

Name: _____

Title: _____

Date: _____

The of and	Governing Board City Council
	Primary Government Unit City of Hickory, NC
	Discretely Presented Component Unit (DPCU) (if applicable) N/A

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name Martin Starnes & Associates, CPAs, P.A.
	Auditor Address 730 13th Avenue Dr. SE, Hickory, NC 28602

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/22	Audit Report Due Date 10/31/22
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Must be within four months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if the Governmental Unit expended \$100,000 or more in combined Federal and State financial assistance during the reporting period. The auditor shall perform a Single Audit if required by Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) or the State Single Audit Implementation Act. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Accounting Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.
6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within four months of fiscal year end. If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's (Units') records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. (This also includes any progress billings.)(G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved 'with approval date shall be returned to

the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the

Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and Governmental Auditing Standards, 2018 Revision (as applicable). Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

- a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;
- b) the status of the prior year audit findings;
- c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and
- d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern. See 20 NCAC 03 .0502(c)(6).

30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 17 for clarification).

31. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit>

32. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

33. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

FEEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Governmental Auditing Standards, 2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will not be approved.

Financial statements were prepared by: Auditor Governmental Unit Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name: **Title and Unit / Company:** **Email Address:**

OR Not Applicable (Identification of SKE Individual not applicable for GAAS-only audit or audits with FYEs prior to June 30, 2020.)

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the unit's last annual audit that was submitted to the Secretary of the LGC. Should the 75% cap provided below conflict with the cap calculated by LGC Staff based on the billings on file with the LGC, the LGC calculation prevails. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

PRIMARY GOVERNMENT FEES

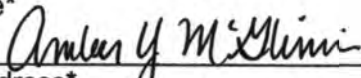
Primary Government Unit	City of Hickory, NC
Audit Fee	\$ See engagement letter
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$ See engagement letter
Writing Financial Statements	\$ See engagement letter
All Other Non-Attest Services	\$ N/A
75% Cap for Interim Invoice Approval <i>(not applicable to hospital contracts)</i>	\$ 45,881.25

DPCU FEES (if applicable)

Discretely Presented Component Unit	N/A
Audit Fee	\$
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$
Writing Financial Statements	\$
All Other Non-Attest Services	\$
75% Cap for Interim Invoice Approval <i>(not applicable to hospital contracts)</i>	\$ 0.00

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* Martin Starnes & Associates, CPAs, P.A.	
Authorized Firm Representative (typed or printed)* Amber Y. McGhinnis	Signature* 
Date* 02/03/22	Email Address* amcghinnis@msa.cpa

GOVERNMENTAL UNIT

Governmental Unit* City of Hickory, NC	
Date Primary Government Unit Governing Board Approved Audit Contract* (G.S. 159-34(a) or G.S. 115C-447(a))	
Mayor/Chairperson (typed or printed)* Hank Guess, Mayor	Signature*
Date	Email Address hguess@hickorync.gov

Chair of Audit Committee (typed or printed, or "NA") Hank Guess	Signature
Date	Email Address hguess@hickorync.gov

Approved as to form

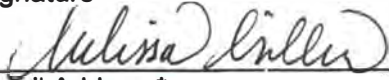


City of Hickory – Legal Dept.

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).
Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Primary Governmental Unit Finance Officer* (typed or printed) Melissa Miller, Finance Officer	Signature* 
Date of Pre-Audit Certificate* 2/3/22	Email Address* mmiller@hickorync.gov

**SIGNATURE PAGE – DPCU
(complete only if applicable)**

DISCRETELY PRESENTED COMPONENT UNIT

DPCU*	
N/A	
Date DPCU Governing Board Approved Audit Contract* (Ref: G.S. 159-34(a) or G.S. 115C-447(a))	
DPCU Chairperson (typed or printed)*	Signature*
Date*	Email Address*

Chair of Audit Committee (typed or printed, or "NA")	Signature
N/A	
Date	Email Address

DPCU – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).
Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

DPCU Finance Officer (typed or printed)*	Signature*
N/A	
Date of Pre-Audit Certificate*	Email Address*

Remember to print this form, and obtain all required signatures prior to submission.

PRINT



Koonce, Wooten & Haywood, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Report on the Firm's System of Quality Control

To the Shareholders of Martin Starnes & Associates, CPAs, P.A. and the Peer Review Committee, Coastal Peer Review, Inc.

We have reviewed the system of quality control for the accounting and auditing practice of Martin Starnes & Associates, CPAs, P.A. (the firm) in effect for the year ended December 31, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act and an audit of an employee benefit plan.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Martin Starnes & Associates, CPAs, P.A. in effect for the year ended December 31, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Martin Starnes & Associates, CPAs, P.A. has received a peer review rating of *pass*.

Koonce, Wooten & Haywood, LLP

Koonce, Wooten & Haywood, LLP

May 4, 2021

Raleigh
4060 Barrett Drive
Post Office Box 17806
Raleigh, North Carolina 27619

919 782 9265
919 783 8937 FAX

Durham
3500 Westgate Drive
Suite 203
Durham, North Carolina 27707

919 354 2584
919 489 8183 FAX

Pittsboro
579 West Street
Post Office Box 1399
Pittsboro, North Carolina 27312

919 542 6000
919 542 5764 FAX

Smithfield
212 East Church Street
Post Office Box 2348
Smithfield, North Carolina 27577

919 934 1121
919 934 1217 FAX 161

E-VERIFY ADDENDUM
CONSULTANTS

Consultant hereby acknowledges that "E-Verify" is the federal E-Verify program operated by the US Department of Homeland Security and other federal agencies which is used to verify the work authorization of newly hired employees pursuant to federal law and in accordance with Article 2, Chapter 64 of the North Carolina General Statutes. Consultant further acknowledges that all employers, as defined by Article 2, Chapter 64 of the North Carolina General Statutes, must use E-Verify and after hiring an employee to work in the United States, shall verify the work authorization of the employee through E-Verify in accordance with NCGS §64-26(a). Consultant hereby pledges, attests and warrants through execution of this Agreement that Consultant complies with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes and further pledges, attests and warrants that any subconsultants currently employed by or subsequently hired by Consultant shall comply with any and all E-Verify requirements. Failure to comply with the above requirements shall be considered a breach of this Agreement.

BUDGET REVISION # 14

BE IT ORDAINED by the Governing Board of the City of Hickory that, pursuant to N.C. General Statutes 159.15 and 159.13.2, the following revision be made to the annual budget ordinance for the fiscal year ending June 30, 2022 and for the duration of the Project Ordinances noted herein.

SECTION 1. To amend the General Fund within the FY 2021-22 Budget Ordinance, the expenditures shall be amended as follows:			
FUNCTIONAL AREA		INCREASE	DECREASE
General Government		494	
Culture & Recreation		80	
Public Safety		498,815	
TOTAL		499,389	-
To provide funding for the above, the General Fund revenues will be amended as follows:			
FUNCTIONAL AREA		INCREASE	DECREASE
Other Financing Sources		494	
Sales and Services		80	
Miscellaneous Revenue		1,256	
Restricted Intergovernmental		497,559	
TOTAL		499,389	-

SECTION 2. To amend the Fleet Fund within the FY 2021-22 Budget Ordinance, the expenditures shall be amended as follows:			
FUNCTIONAL AREA		INCREASE	DECREASE
Other Financing Uses		494	
TOTAL		494	-
To provide funding for the above, the Fleet Fund revenues will be amended as follows:			
FUNCTIONAL AREA		INCREASE	DECREASE
Miscellaneous Revenue		494	
TOTAL		494	-

SECTION 3. Copies of the budget revision shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

Adopted this ____ day of _____, 2022

Mayor

Clerk

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Office of Business Development, Planning Division

Contact Person: Brian Frazier, Planning Director

Date: February 3, 2021

Re: Voluntary non-contiguous annexation of property owned by D&J Properties North Carolina, LLC.

REQUEST

Consideration of the voluntary non-contiguous annexation of 13.384 acres of property located on Sulphur Springs Road between 47th Ave PI NE & 48th Ave Ln NE. This property is identified as PIN 3735-13-02-2954.

BACKGROUND

D&J Properties North Carolina, LLC has petitioned for the voluntary non-contiguous annexation of 13.348 acres of property located on Sulphur Springs Road between 47th Ave PI NE & 48th Ave Ln NE. The subject property is currently located within Catawba County's jurisdiction and zoned R-20 Residential. The annexation is being requested to gain access to city services.

ANALYSIS

The subject property is currently zoned R-20 Residential by Catawba County and is 13.384 acres in total size. The current county R-20 zoning district permits residential uses at a density of two (2) dwelling units per acre.

The subject property is currently vacant; however, the intention is to develop the property for the construction of forty-two (42) single-family attached dwellings (townhomes). This amounts to approximately three (3) dwelling units per acre.

The current tax value of the property is \$93,700.00. If annexed with its present value, the property would generate additional tax revenues of \$587.00. The owners have indicated the selling price for the forty-two units would be between \$300,000 and \$325,000.

Upon analysis, staff has determined the petition meets the statutory requirements for voluntary contiguous annexation, and adequate public services are available.

RECOMMENDATION

Staff finds the petition to be in conformity with applicable statutes and recommends approval of the petition.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Reviewed by:

Brian Frazier

Initiating Department Head

02/03/2022

Date

Ann Marie Dula
Deputy City Attorney, A. Dula

2-4-22

Date

Rodney Miller
Asst. City Manager R. Miller

2/8/22

Date

Rodney Miller
Asst. City Manager, R. Beasley

2/7/22

Date

M. Miller
Finance Officer, M. Miller

2/4/22

Date

Cameron McHargue
Deputy Finance Officer,
Cameron McHargue

2-7-22

Date

Date

Recommended for approval and placement on _____ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

Warren Wood
City Manager, Warren Wood

2-8-22
Date

**CITY OF HICKORY
APPLICATION FOR VOLUNTARY ANNEXATION**

DATE SUBMITTED: 11-03-2021

TO THE CITY COUNCIL OF THE CITY OF HICKORY, NORTH CAROLINA:

I (We), the undersigned, do hereby respectfully make application and petition for voluntary annexation into the municipal limits of the City of Hickory, and have provided an annexation plat meeting the requirements of the City of Hickory

1. The property be voluntarily annexed is located on SULPHUR SPRINGS ROAD
 between 48TH AVE and 47TH AVE
 and is shown in more detail on the attached survey.

PIN NO. (S) : 373513022954

Physical (Street) Address: _____

2. The property is owned by: (please print) D&J PROPERTIES NORTH CAROLINA, LLC (DUKE MCLAUCHLIN)
 (Attach a copy of the most recent deed, contract for purchase or other legal interest demonstrating an interest in the property.)

Owner Information:

Name: D&J PROPERTIES NORTH CAROLINA, LLC (DUKE MCLAUCHLIN)

Address: 2008 46TH AVE DR NE

Phone Number: 828-308-3193

3. The petition is submitted by: DUKE MCLAUCHLIN
 (If the Petition is submitted by someone other than the owner, the attached agent authorization must be signed, notarized and submitted from the owner(s) authorizing the agent to act on his behalf.)

Agent Information:

Name: DUKE MCLAUCHLIN

Address: 2008 46TH AVE DR NE

Phone Number: 828-308-3193

4. If annexation is approved by the Hickory City Council, and if the property(s) is not currently zoned by the City of Hickory, the applicant would request that the property be placed into a PD zoning district.

5. WATER AND SEWER AVAILABILTY AND CONNECTIONS

We, the undersigned property owner(s), herby understand and agree we shall be responsible for all costs associated with providing for extensions and/or connections to the City of Hickory public utility system (water and sewer). This includes all design, permitting, construction, legal and applicable City of Hickory Tap Fees. Furthermore, we shall be responsible for obtaining any and all necessary easements and encroachment agreements needed to provide for such extensions or connections and provide those to the City of Hickory as appropriate.

The undersigned owner further acknowledges, they shall be responsible for any future utility extensions required to serve the property due to subdivision of the property.

6. APPLICANT'S AFFIDAVIT

We, the undersigned property owners(s), hereby certify that the information contained herein and submitted in support of this application is true and correct and the property owner's list and associated envelopes were obtained using the most recent Tax Office property information and are true, correct and complete.

D&J PROPERTIES NORTH CAROLINA, LLC (DUKE MCLAUCHLIN)

Printed Name of Property Owner(s)

[Handwritten Signature]
Signature of Property Owner(s)

2008 46TH AVE DR NE

Address of Property Owner(s)

828-308-3193
Telephone Number of Property Owner(s)

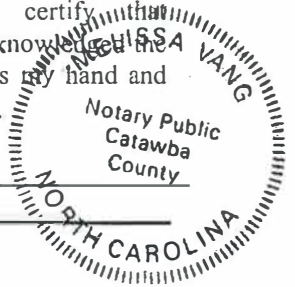
(Please choose the appropriate notary block)

State of North Carolina – County of Catawba

I, the undersigned Notary Public of the County and State aforesaid, certify that Duke McLaughlin personally appeared before me this day and acknowledged the due execution of this foregoing instrument for the purposes expressed herein. Witness my hand and Notarial stamp or seal, this 3rd day of November, 2021.

My Commission Expires: 12/30/2024

[Handwritten Signature]
Notary Public



State of North Carolina – County of _____

I, the undersigned Notary Public of the County and State aforesaid, certify that _____ personally came before me this day an acknowledged the he / she is the _____ of _____ corporation / limited liability corporation / general partnership / limited partnership (strike through the inapplicable), and that by authority duly given and as the act of such entity he /she signed the foregoing instrument in its mane on its behalf as its act and deed. Witness my hand and Notarial stamp or seal, this _____ day of _____, 20____.

My Commission Expires: _____

Notary Public

• File an Annual Report/Amend an Annual Report • Upload a PDF Filing • Order a Document Online • Add Entity to My Email Notification List • View Filings • Print a Pre-Populated Annual Report form • Print an Amended a Annual Report form

Limited Liability Company

Legal Name

D & J Properties North Carolina, LLC

Information

SosId: 1585601

Status: Current-Active ⓘ

Date Formed: 4/4/2017

Citizenship: Domestic

Annual Report Due Date: April 15th

Current Annual Report Status:

Registered Agent: McLauchlin, Duke

Addresses

Mailing

2008 46th Ave Dr NE
Hickory, NC 28601

Principal Office

2008 46th Ave Dr NE
Hickory, NC 28601

Reg Office

2008 46th Ave Dr NE
Hickory, NC 28601

Reg Mailing

2008 46th Ave Dr NE
Hickory, NC 28601

Company Officials

All LLCs are managed by their managers pursuant to N.C.G.S. 57D-3-20.

President

Duke McLauchlin
2008 46th Ave Dr NE
Hickory NC 28601

FILED Catawba County

on May 11, 2021 at 10:42:00 am

Exclude Tax \$320.00 (CH)

INST. # 11138

DONNA HICKS SPENCER,
Register of Deeds

bk 03656 Pg 0240-0247

GENERAL WARRANTY DEED

REVENUE: \$320.00

Tax Parcel ID No. 3735-13-02-2954 Verified by _____ County on the ____ day of _____, 20____

By: _____

✓ Mail/Box to: Thomas N. Hannah, Attorney at Law, P.O. Drawer 1989, Hickory, NC 28603
This instrument was prepared by: Thomas N. Hannah, Attorney at Law, P.O. Drawer 1989, Hickory, NC 28603
Brief description for the Index: _____

THIS DEED, made this the 29th day of April 2021, by and between

**GRANTOR: CLOYD H. PROPST, JR. and wife, PAMELA S. PROPST and
CATHERINE ELAINE PROPST and spouse, JANET M. MCGOLDRICK and
AMBER ELISE CRUZ (sole heir of Judy P. Stevens) and husband, NICHOLAS CRUZ BENITEZ
LEIGH ANN P. BLODGETT and husband, HARLEY H. BLODGETT**

whose mailing address is : 4205 6th St NW, Hickory, NC 28601
(herein referred to collectively as Grantor) and

GRANTEE: D & J PROPERTIES NORTH CAROLINA, LLC
whose mailing address is: 2008 46th Ave Drive NE, Hickory, NC 28601
(herein referred to collectively as Grantee)

[Include mailing address for each Grantor and Grantee; marital status of each individual Grantor and Grantee; and type of entity, e.g., corporation, limited liability company, for each non-individual Grantor and Grantee.]

WITNESSETH:

For valuable consideration from Grantee to Grantor, the receipt and sufficiency of which is hereby acknowledged, Grantor hereby gives, grants, bargains, sells and conveys unto Grantee in fee simple, subject to the Exceptions and Reservations hereinafter provided, if any, the following described property located in City of _____, Clines Township, County of Catawba, State of North Carolina, more particularly described as follows:

BEGINNING at a stone in M.L. Deal's line and corner, and runs with his line North 84° 30' West 591.8 feet to a stake; thence North 4° 55' East 450 feet to a stake, corner of tract #5; thence with the line of tract #5, South 81° 30' East 680 feet to a stake; thence South 36° 30' East 840 feet, passing a stake on the bank of the highway, to a point in the center of Highway #16; thence with the highway toward Hickory, South 42° 30' West and South 46° 40' West about 464 feet, more or less, to the BEGINNING. This tract lies on the Northwest side of the said highway, contains about 12.8 acres, and is fully shown on the aforesaid map by G.S. Rowe, C.E., March 20, 1937 which is duly recorded in Catawba County.

This being Lot Number 4 of the T.E. Bowman Property; for reference to title, see Book 284, Page 148 and Plat recorded in Plat Book 7, at Page 90, Catawba County Registry.

Revised December 17, 2009

8

Said property having been previously conveyed to Grantor by instrument(s) recorded in Book 1788, Page 1102, and being reflected on plat(s) recorded in Map/Plat Book 7 Page/Slide 90.

0241

All or a portion of the property herein conveyed [] Includes or [X] does not include the primary residence of a Grantor.

TO HAVE AND TO HOLD unto Grantee, together with all privileges and appurtenances thereunto belonging, in fee simple, subject to the Exceptions and Reservations hereinafter and hereinabove provided, if any.






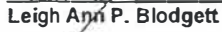

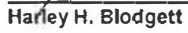
And Grantor hereby warrants that Grantor is seized of the premises in fee and has the right to convey same in fee simple, that title is marketable and is free and clear of encumbrances other than as set forth herein, and that Grantor will forever warrant and defend the title against the lawful claims of all persons or entities whomsoever.



This conveyance is made subject to the following Exceptions and Reservations:

This conveyance is made subject to restrictive covenants and encumbrances of record, and to any and all easements and rights of way on location on the above described property heretofore granted or existing in favor of any individuals, corporations, public or private associations of individuals, public utilities and governmental agents, commissions or departments for the purpose of constructing, erecting, laying, building or maintaining any streets, roads, highways, signs, service alleys, power lines or poles, gas lines, water lines, lines for pipes or sewer lines and any and all other similar or related public or private utility service facilities or otherwise.

All references to Grantor and Grantee as used herein shall include the parties as well as their heirs, successors and assigns, and shall include the singular, plural, masculine, feminine or neuter as required by context.

IN WITNESS WHEREOF, the Grantor has duly executed the foregoing as of the day and year first above written.

 Amber Elise Cruz	(SEAL)	 Cloyd H. Propst, Jr.	(SEAL)
 Nicolas Cruz Benitez	(SEAL)	 Pamela S. Propst	(SEAL)
 Catherine Elaine Propst	(SEAL)	 Leigh Ann P. Blodgett	(SEAL)
 Janet M. McGoldrick	(SEAL)	 Harley H. Blodgett	(SEAL)

STATE OF <u>North Carolina</u>	(Official/Notarial Seal)
COUNTY OF <u>Harnett</u>	
I, <u>Santa L Gasca</u> , [print type name of Notary], a Notary Public in and for the aforesaid County and State, certify that the following person (s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document: <u>Amber Elise Cruz and husband Nicolas Cruz Benitez, GRANTOR(S).</u>	
Date: <u>4/28/2021</u>  Signature of Notary Public	
My Commission expires: <u>1/19/2026</u>	

Said property having been previously conveyed to Grantor by instrument(s) recorded in Book 1788, Page 1102, and being reflected on plat(s) recorded in Map/Plat Book 7 Page/Slide 90.

0242

All or a portion of the property herein conveyed [] includes or [X] does not include the primary residence of a Grantor.

TO HAVE AND TO HOLD unto Grantee, together with all privileges and appurtenances thereunto belonging, in fee simple, subject to the Exceptions and Reservations hereinafter and hereinabove provided, if any.

And Grantor hereby warrants that Grantor is seized of the premises in fee and has the right to convey same in fee simple, that title is marketable and is free and clear of encumbrances other than as set forth herein, and that Grantor will forever warrant and defend the title against the lawful claims of all persons or entities whomsoever.

This conveyance is made subject to the following Exceptions and Reservations:

This conveyance is made subject to restrictive covenants and encumbrances of record, and to any and all easements and rights of way on location on the above described property heretofore granted or existing in favor of any individuals, corporations, public or private associations of individuals, public utilities and governmental agents, commissions or departments for the purpose of constructing, erecting, laying, building or maintaining any streets, roads, highways, signs, service alleys, power lines or poles, gas lines, water lines, lines for pipes or sewer lines and any and all other similar or related public or private utility service facilities or otherwise.


All references to Grantor and Grantee as used herein shall include the parties as well as their heirs, successors and assigns, and shall include the singular, plural, masculine, feminine or neuter as required by context.

IN WITNESS WHEREOF, the Grantor has duly executed the foregoing as of the day and year first above written.

<u>Amber Elise Cruz</u> (SEAL)	<u>Cloyd H. Propst, Jr.</u> (SEAL)
<u>Nicolas Cruz Benitez</u> (SEAL)	<u>Pamela S. Propst</u> (SEAL)
<u>Catherine Elaine Propst</u> (SEAL)	<u>Leigh Ann P. Blodgett</u> (SEAL)
<u>Janet M. McGoldrick</u> (SEAL)	<u>Harley H. Blodgett</u> (SEAL)

STATE OF _____	(Official/Notarial Seal)
COUNTY OF _____	
I, _____, [print/type name of Notary], a Notary Public in and for the aforesaid County and State, certify that the following person (s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document: Amber Elise Cruz and husband Nicolas Cruz Benitez, GRANTOR(S).	
Date: _____	Signature of Notary Public _____
My Commission expires: _____	

Revised December 17, 2009

<p>STATE OF _____ COUNTY OF _____</p> <p>I, _____, <i>[[print type name of Notary]]</i>, a Notary Public in and for the aforesaid County and State, certify that the following person (s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document: Cloyd H. Propst Jr and Pamela S. Propst, GRANTOR(S).</p> <p>Date: _____</p> <p style="text-align: right;">_____ Signature of Notary Public</p> <p>My Commission expires: _____</p>	<p>(Official/Notarial Seal)</p> <p style="text-align: right;">0243</p>
<p>STATE OF <u>North Carolina</u> COUNTY OF <u>Guilford</u></p> <p>I, <u>Julie A McCray</u>, <i>[[print type name of Notary]]</i>, a Notary Public in and for the aforesaid County and State, certify that the following person (s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document: Catherine Elaine Propst and Janet M. McGoldrick, GRANTOR(S).</p> <p>Date: <u>4-29-2021</u></p> <p style="text-align: right;"><i>Julie A McCray</i> Signature of Notary Public</p> <p>My Commission expires: <u>Jan. 16, 2026</u></p>	<p>(Official/Notarial Seal)</p> 
<p>STATE OF _____ COUNTY OF _____</p> <p>I, _____, <i>[[print type name of Notary]]</i>, a Notary Public in and for the aforesaid County and State, certify that the following person (s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document: Leigh Ann P. Blodgett and Harley H. Blodgett, GRANTOR(S).</p> <p>Date: _____</p> <p style="text-align: right;">_____ Signature of Notary Public</p> <p>My Commission expires: _____</p>	<p>(Official/Notarial Seal)</p>

Revised December 17, 2009

0244

Said property having been previously conveyed to Grantor by instrument(s) recorded in Book 1788, Page 1102, and being reflected on plat(s) recorded in Map/Plat Book 7 Page/Slide 90.

All or a portion of the property herein conveyed [] includes or [X] does not include the primary residence of a Grantor.

TO HAVE AND TO HOLD unto Grantee, together with all privileges and appurtenances thereunto belonging, in fee simple, subject to the Exceptions and Reservations hereinafter and hereinabove provided, if any.

And Grantor hereby warrants that Grantor is seized of the premises in fee and has the right to convey same in fee simple, that title is marketable and is free and clear of encumbrances other than as set forth herein, and that Grantor will forever warrant and defend the title against the lawful claims of all persons or entities whomsoever.

This conveyance is made subject to the following Exceptions and Reservations:

This conveyance is made subject to restrictive covenants and encumbrances of record, and to any and all easements and rights of way on location on the above described property heretofore granted or existing in favor of any individuals, corporations, public or private associations of individuals, public utilities and governmental agents, commissions or departments for the purpose of constructing, erecting, laying, building or maintaining any streets, roads, highways, signs, service alleys, power lines or poles, gas lines, water lines, lines for pipes or sewer lines and any and all other similar or related public or private utility service facilities or otherwise.

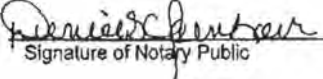

All references to Grantor and Grantee as used herein shall include the parties as well as their heirs, successors and assigns, and shall include the singular, plural, masculine, feminine or neuter as required by context.

IN WITNESS WHEREOF, the Grantor has duly executed the foregoing as of the day and year first above written.

_____ (SEAL)	<i>Cloyd H. Propst, Jr.</i>	_____ (SEAL)
Amber Elise Cruz	Cloyd H. Propst, Jr.	
_____ (SEAL)	<i>Pamela S. Propst</i>	_____ (SEAL)
Nicolas Cruz Benitez	Pamela S. Propst	
_____ (SEAL)	_____	_____ (SEAL)
Catherine Elaine Propst	Leigh Ann P. Blodgett	
_____ (SEAL)	_____	_____ (SEAL)
Jane M. McGoldrick	Harley H. Blodgett	

STATE OF _____	(Official/Notarial Seal)
COUNTY OF _____	
I, _____, [Print name of Notary], a Notary Public in and for the aforesaid County and State, certify that the following person (s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document: Amber Elise Cruz and husband Nicolas Cruz Benitez, GRANTOR(S).	
Date: _____	_____
	Signature of Notary Public
My Commission expires: _____	

Revised December 17, 2009

	0245
<p>STATE OF <u>North Carolina</u> COUNTY OF <u>Catawba</u></p> <p>I, <u>Denise Sicehour</u>, <i>[print/type name of Notary]</i>, a Notary Public in and for the aforesaid County and State, certify that the following person (s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document: Cloyd H. Propst Jr and Pamela S. Propst, GRANTOR(S).</p> <p>Date: <u>4-28-2021</u>  Signature of Notary Public</p> <p>My Commission expires: <u>7-29-2022</u></p>	<p>(Official/Notarial Seal)</p> 
<p>STATE OF _____</p> <p>COUNTY OF _____</p> <p>I, _____, <i>[print/type name of Notary]</i>, a Notary Public in and for the aforesaid County and State, certify that the following person (s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document: Catherine Elaine Propst and Janet M. McGoldrick, GRANTOR(S).</p> <p>Date: _____</p> <p>Signature of Notary Public</p> <p>My Commission expires: _____</p>	<p>(Official/Notarial Seal)</p>
<p>STATE OF _____</p> <p>COUNTY OF _____</p> <p>I, _____, <i>[print/type name of Notary]</i>, a Notary Public in and for the aforesaid County and State, certify that the following person (s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document: Leigh Ann P. Blodgett and Harley H. Blodgett, GRANTOR(S).</p> <p>Date: _____</p> <p>Signature of Notary Public</p> <p>My Commission expires: _____</p>	<p>(Official/Notarial Seal)</p>

Revised December 17, 2009

Said property having been previously conveyed to Grantor by instrument(s) recorded in Book 1788, Page 1102, and being reflected on plat(s) recorded in Map/Plat Book 7 Page/Slide 90.

0246

All or a portion of the property herein conveyed [] includes or [X] does not include the primary residence of a Grantor.

TO HAVE AND TO HOLD unto Grantee, together with all privileges and appurtenances thereunto belonging, in fee simple, subject to the Exceptions and Reservations hereinafter and hereinabove provided, if any.

And Grantor hereby warrants that Grantor is seized of the premises in fee and has the right to convey same in fee simple, that title is marketable and is free and clear of encumbrances other than as set forth herein, and that Grantor will forever warrant and defend the title against the lawful claims of all persons or entities whomsoever.

This conveyance is made subject to the following Exceptions and Reservations:

This conveyance is made subject to restrictive covenants and encumbrances of record, and to any and all easements and rights of way on location on the above described property heretofore granted or existing in favor of any individuals, corporations, public or private associations of individuals, public utilities and governmental agents, commissions or departments for the purpose of constructing, erecting, laying, building or maintaining any streets, roads, highways, signs, service alleys, power lines or poles, gas lines, water lines, lines for pipes or sewer lines and any and all other similar or related public or private utility service facilities or otherwise.

All references to Grantor and Grantee as used herein shall include the parties as well as their heirs, successors and assigns, and shall include the singular, plural, masculine, feminine or neuter as required by context.

IN WITNESS WHEREOF, the Grantor has duly executed the foregoing as of the day and year first above written.

Amber Elise Cruz _____ (SEAL)	Cloyd H. Propst, Jr. _____ (SEAL)
Nicolas Cruz Benitez _____ (SEAL)	Pamela S. Propst _____ (SEAL)
Catherine Elaine Propst _____ (SEAL)	Leigh Ann R. Blodgett _____ (SEAL)
Janet M. McGoldrick _____ (SEAL)	Haley H. Blodgett _____ (SEAL)

STATE OF _____	(Official/Notarial Seal)
COUNTY OF _____	
I, _____, <i>(print type name of Notary)</i> , a Notary Public in and for the aforesaid County and State, certify that the following person (s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document: Amber Elise Cruz and husband Nicolas Cruz Benitez, GRANTOR(S).	
Date: _____	Signature of Notary Public _____
My Commission expires: _____	

Revised December 17, 2009

	0247
<p>STATE OF _____ COUNTY OF _____</p> <p>I, _____, <i>[[print type name of Notary]]</i>, a Notary Public in and for the aforesaid County and State, certify that the following person (s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document: Cloyd H. Propst Jr and Pamela S. Propst, GRANTOR(S).</p> <p>Date: _____</p> <p style="text-align: right;">_____ Signature of Notary Public</p> <p>My Commission expires: _____</p>	(Official/Notarial Seal)
<p>STATE OF _____ COUNTY OF _____</p> <p>I, _____, <i>[[print type name of Notary]]</i>, a Notary Public in and for the aforesaid County and State, certify that the following person (s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document: Catherine Elaine Propst and Janet M. McGoldrick, GRANTOR(S).</p> <p>Date: _____</p> <p style="text-align: right;">_____ Signature of Notary Public</p> <p>My Commission expires: _____</p>	(Official/Notarial Seal)
<p>STATE OF <u>North Carolina</u></p> <p>COUNTY OF <u>Mecklenburg</u></p> <p>I, <u>Loriann Canapinno</u>, <i>[[print type name of Notary]]</i>, a Notary Public in and for the aforesaid County and State, certify that the following person (s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document: Leigh Ann P. Blodgett and Harley H. Blodgett, GRANTOR(S).</p> <p>Date: <u>4/29/2021</u></p> <p style="text-align: right;"><i>Loriann Canapinno</i> Signature of Notary Public</p> <p>My Commission expires: <u>6/10/2023</u></p>	<p style="text-align: center;">(Official/Notarial Seal)</p> <div style="border: 1px solid black; padding: 5px; text-align: center; margin: 10px auto; width: fit-content;"> <p>LORIANN CANAPINNO NOTARY PUBLIC Mecklenburg County North Carolina My Commission Expires June 10, 2023</p> </div>

Revised December 17, 2009

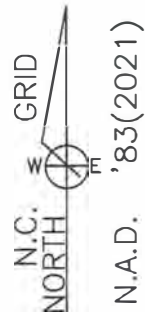
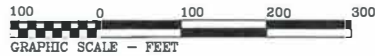
D&J Properties North Carolina, LLC

Being a 13.384 acre tract in Clines Township, Catawba County, NC, and being more particularly described as follows:

Beginning on an existing 1/2" rod, said rod having NC Grid Coordinates of N.752219.515 and E.1330491.749, said rod being located N27°13'18"E 64.14' from NCGS Monument "Queen AZ.MK" having NC Grid Coordinates of N.752162.480 and E.1330462.410, said rod being the northeastern corner of Rebecca M. Vechik (1488/981); thence with the line of Vechik, N34°24'54"W 51.57' to an existing 1" rod; thence N32°52'09"W 651.18' to an existing stone corner, said stone corner being a common corner of William Luther Watts Heirs (1498/220 and 1876/1056); thence N85°06'48"W 583.67' to an existing 3/4" angle iron, said angle iron being a common corner of Timothy Lee Boliek (1341/411) and Robert R. Fisher, et al. (3199/720); thence with the line of Fisher, N03°32'28"E 460.46' to an existing 5/8" rebar, said rebar being a common corner of RTT Properties, LLC (3587/674); thence S82°48'50"E 685.69' to an existing stone corner, said stone corner being a common corner of Gene E. Krumanocker (3565/1206) and Rosalind Loritts (2805/830); thence S36°19'03"E 520.86' to an existing 1/2" rebar, said rebar being a common corner of Scottie Joines (3417/853) and John C. McCartney (2103/945); thence with the line of McCartney, S36°23'13"E passing an existing 1/2" rebar at a distance of 319.57', a total distance of 371.72' to a point in the centerline of Sulphur Springs Road NE (SR 1529), said point being located S41°12'46"W 3,186.63' from NCGS Monument "Queen" having NC Grid Coordinates of N.751910.790 and E.1332864.930; thence with the centerline of Sulphur Springs Road NE (SR 1529) the following five (5) calls and distances: (1) S40°38'16"W 113.70' to a point, (2) S40°43'02"W 95.44' to a point, (3) S39°48'33"W 74.89' to a point, (4) S36°05'07"W 68.63' to a point, and (5) S31°02'20"W 58.37' to a point in the centerline of Sulphur Springs Road NE (SR 1529); thence N34°24'54"W 33.40' to an existing 1/2" rod, the point and place of Beginning, containing 13.384 acres by coordinate computation as certified by Carl D. Bunton, PLS-3032 on a survey plat entitled: Satellite Annexation Plat for: "D & J Properties North Carolina, LLC" dated 05/24/2021, revised 10/28/2021.

BUNTON SURVEYING and MAPPING, P.A.

TAYLORSVILLE 214 MAIN AVE. DRIVE SUITE 5 828-636-0333 FAX: 828-636-0330
HICKORY 231 13th AVE. PL. N.W. SUITE 5 828-855-3313 FAX: 828-855-3439
CARL D. BUNTON, PLS-3032 P.O. BOX 338, TAYLORSVILLE, NC 28681 BUSINESS LICENSE: C-2069
DEREK R. BUNTON, PLS-4808 28681



- LEGEND
- EXISTING IRON ROD - ER - ●
- EXISTING IRON PIPE - EP - ○
- NEW 1/2" REBAR SET - NR - ○
- R.R. SPACE - ○
- EXISTING STONE CORNER - ▲
- CONCRETE MONUMENT - □
- N.C.G.S. CONTROL MONUMENT - ■
- P.K. NAIL - ⊕
- CALCULATED POINT - +
- MARKER - (S)
- DRAINAGE MARKER - (SD)
- FIRE HYDRANT - (FH)
- WATER METER - (WM)
- WATER VALVE - (WV)
- CLEAN OUT - (CO)
- UTILITY POLE - (UP)
- LIGHT POLE - (LP)
- SURFER LINE - (SL)
- OVERHEAD UTILITY LINE - (OUL)
- FENCE LINE - (FL)

Annexation Certificate for Plot

NORTH CAROLINA, CATAWBA COUNTY

The property on this plot was duly approved for annexation by the city council of the City of Hickory on the _____ day of _____, 20____, and an ordinance duly adopted and certified and this map is hereby ordered to be recorded in accordance with NCGS 160A-29.

Mayor, City of Hickory _____

City Clerk _____

Date: _____

NORTH CAROLINA, CATAWBA COUNTY

This _____ day of _____, 20____, personally come before me, _____, Notary Public for said County and State, _____, who, being by me duly sworn, says that he is _____ of the _____ a corporate, and that the seal affixed to the foregoing instrument in writing is the corporate seal of said company, and that said writing was signed and sealed by him in behalf of said corporation by its authority duly given. And the said _____ acknowledged the said writing to be the act and deed of said corporation.

Witness my hand and official seal, this _____ day of _____, 20____.

NOTARY PUBLIC _____ MY COMMISSION EXPIRES _____

N.C.G.S. 47-30 (1)
THE PROVISIONS OF THIS SECTION SHALL NOT APPLY TO BOUNDARY PLATS OF AREAS ANNEXED BY MUNICIPALITIES NOR TO PLATS OF MUNICIPAL BOUNDARIES, WHETHER OR NOT REQUIRING BY LAW TO BE RECORDED.

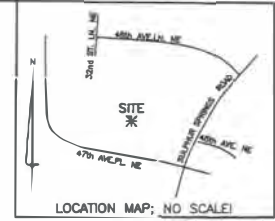
SEE PLAT BOOK 16 PAGE 261

COURSE	BEARING	DISTANCE
L-1	S 40°38'16"W	113.70'
L-2	S 40°43'02"W	85.44'
L-3	S 39°48'33"W	74.89'
L-4	S 36°08'07"W	68.63'
L-5	S 31°02'20"W	68.37'
L-6	N 34°24'54"W	33.40'
L-7	N 34°24'54"W	51.57'

State of North Carolina
City of Hickory

Review Officer of City of Hickory,
certify that the map or plat to which this certification is affixed
meets all statutory requirements for recording.

Date _____
Review Officer _____



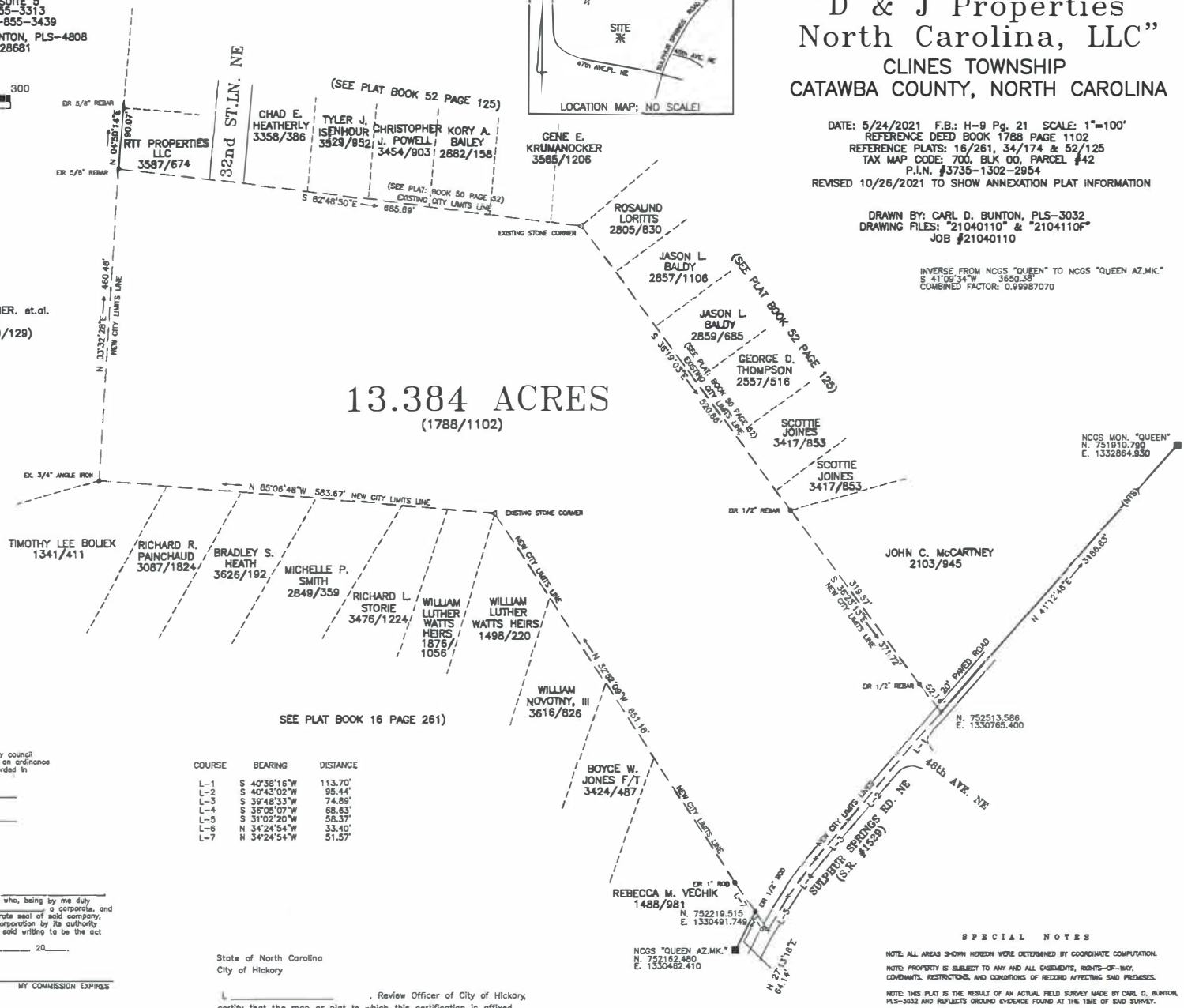
SATELLITE ANNEXATION PLAT FOR:
**"D & J Properties
North Carolina, LLC"**
CLINES TOWNSHIP
CATAWBA COUNTY, NORTH CAROLINA

DATE: 5/24/2021 F.B.: H-9 Pg. 21 SCALE: 1"=100'
REFERENCE DEED BOOK 1788 PAGE 1102
REFERENCE PLATS: 16/261, 34/174 & 52/125
TAX MAP CODE: 705, BLK 00, PARCEL #42
P.I.N. #3735-1302-2954
REVISED 10/26/2021 TO SHOW ANNEXATION PLAT INFORMATION

DRAWN BY: CARL D. BUNTON, PLS-3032
DRAWING FILES: "21040110" & "2104110F"
JOB #21040110

INVERSE FROM NCGS "QUEEN" TO NCGS "QUEEN AZ.MK."
S. 41°09'34"W 3650.38'
COMBINED FACTOR: 0.99987070

13.384 ACRES
(1788/1102)



- SPECIAL NOTES
- NOTE: ALL AREAS SHOWN HEREON WERE DETERMINED BY COORDINATE COMPUTATION.
- NOTE: PROPERTY IS SUBJECT TO ANY AND ALL EASEMENTS, RIGHTS-OF-WAY, COVENANTS, RESTRICTIONS, AND CONDITIONS OF RECORD AFFECTING SAID PREMISES.
- NOTE: THIS PLAT IS THE RESULT OF AN ACTUAL FIELD SURVEY MADE BY CARL D. BUNTON, PLS-3032 AND REFLECTS GROUND EVIDENCE FOUND AT THE TIME OF SAID SURVEY.
- NOTE: THIS PLAT WAS PREPARED FOR THE EXCLUSIVE USE OF THE PARTY(IES) NAMED HEREON. CERTIFICATIONS DO NOT EXTEND TO ANY UNNAMED PARTY(IES) WITHOUT AN EXPRESS RECKNOWLEDGMENT BY THE SURVEYOR MAKING SAID PROMISE(S).
- NOTE: SUBJECT PROPERTY IS NOT LOCATED WITHIN A FLOOD HAZARD AREA OF CATAWBA COUNTY.
- NOTE: SUBJECT PROPERTY IS NOT LOCATED IN A FLOOD HAZARD AREA OF CATAWBA COUNTY. (SEE F.E.M.A. PANEL #310372600K & 3710372600K - ZONE "X").

VOLUNTARY NON-CONTIGUOUS ANNEXATION ANALYSIS

APPLICANT: D&J Properties North Carolina, LLC

PROPERTY LOCATION (See Map 1): Sulphur Springs Road between 47th Ave PI NE & 48th Ave Ln NE

PINS: 3735-13-02-2954

WARD: If annexed, the subject property will be in Ward 2 (Councilwoman Williams).

REQUESTED ACTION: The request is for voluntary non-contiguous annexation.

ACREAGE: 13.384

DEVELOPMENT POTENTIAL: The subject property is currently zoned R-20 Residential by Catawba County and is 13.384 acres in total size. The current county R-20 zoning district permits residential uses at a density of two (2) dwelling units per acre.

The subject property is currently vacant; however, the intention is to develop the property for the construction of forty-two (42) single-family attached dwellings (townhomes). This amounts to approximately three (3) dwelling units per acre.

TAX VALUE: The current tax value of the property is \$93,700.00. If annexed with its present value, the property would generate additional tax revenues of \$587.00. The owners have indicated the selling price for the forty-two units would be between \$300,000 and \$325,000.

POPULATION INCREASES: The subject property is proposed to be occupied by forty-two (42) single-family attached residences. Current estimates for Hickory indicate single-family residences contain 2.35 occupants. Given the occupancy estimate and the number of units, the development could increase the City's population by 98 residents.

SCHOOL DISTRICTS: The property is located within the jurisdictional area of the Catawba County Public School System, and located in the following school districts:

School Type	School District	Student Multiplier Per Dwelling	Number of Potential Dwelling Units	Potential Additional Students
Elementary	Snow Creek	0.21	42	8
Middle	Arndt	0.09	42	3
High	St. Stephens	0.13	42	5

**Note: The student multipliers above reflect numbers for single-family dwellings only*

SURROUNDING LAND USE AND ZONING (See Maps 2 & 3):

- **North:** The properties are zoned R-2 Residential and are occupied by single-family residences.
- **South:** The properties are zoned R-20 Residential (Catawba County) and are occupied by single-family residence.
- **East:** The properties are zoned R-2 Residential and are occupied by single-family residences.
- **West:** The properties are zoned R-20 Residential (Catawba County) and are either vacant or occupied by single-family residences.

UTILITY SERVICE: City of Hickory water and sewer utilities are available to the property. Developer is responsible for extending any additional lines to serve the proposed development.

ACCESS: Access to the subject property will be from Sulphur Springs Road, which is maintained by the North Carolina Department of Transportation.

DISTANCE FROM CITY LIMITS (See Map 1): The proposed annexation area is immediately adjacent an existing non-contiguous part of the city. The annexation area is approximately 11,000 linear feet (2 miles) northeast of the existing proper city boundary.

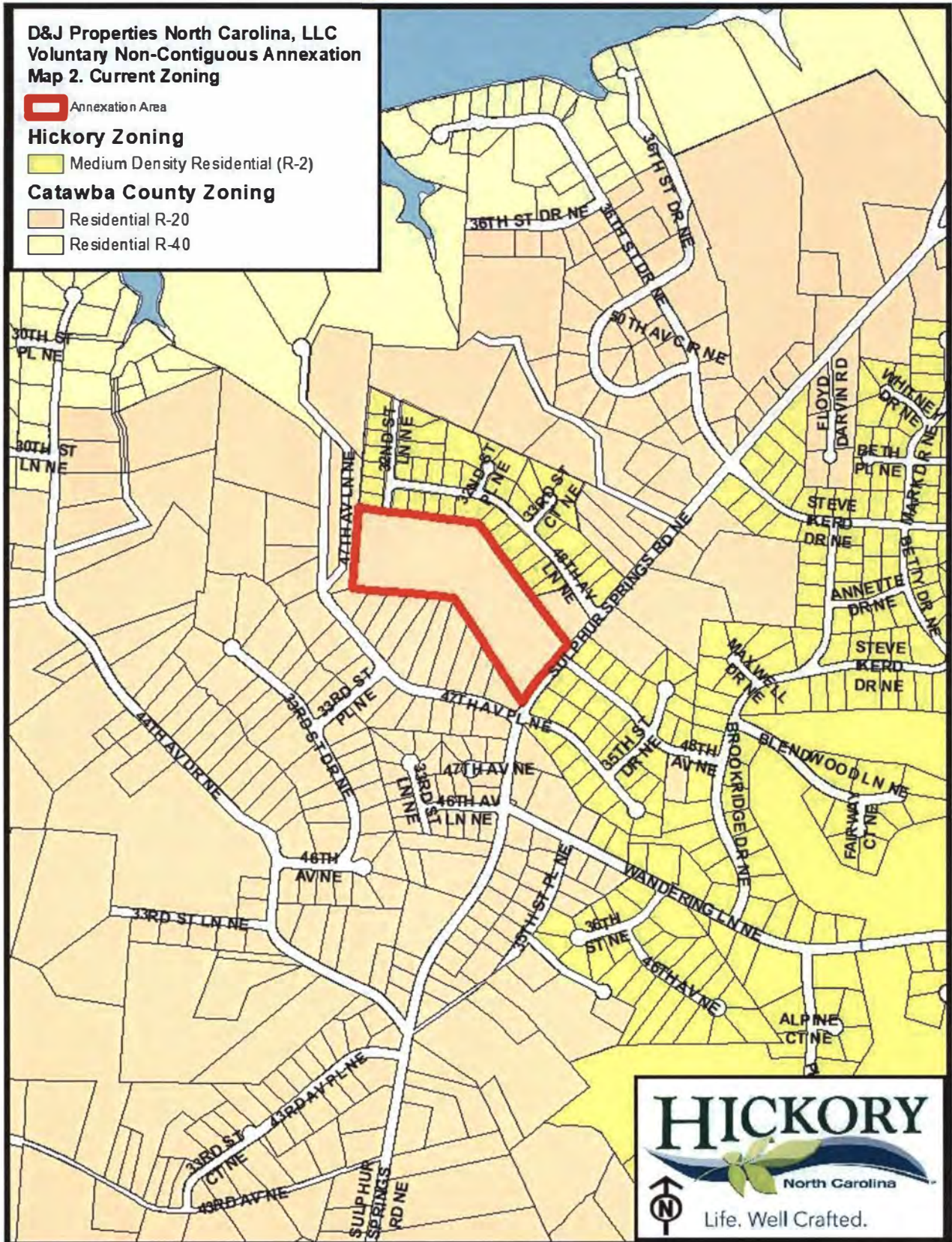
STAFF COMMENTS:

- **Fire:** Annexation of this property would not adversely affect the operations of the fire department at this time. Property is currently in HFD Station 6's response area and will remain in such with no changes.
- **Police Department:** Annexation would not adversely affect the police department. The properties, upon annexation, would be in Baker PACT.
- **Transportation / Engineering:** No objections.
- **Planning:** No objections.
- **Public Services:** No objections.
- **Public Utilities:** City of Hickory water and sewer utilities are available to the property. Developer is responsible for extending any additional lines to serve the proposed development.
- **Legal:** No objections.
- **City Manager's Office:** No objections.

STAFF RECOMMENDATION: Upon evaluation staff has found the following:

1. The voluntary contiguous annexation petition complies with all applicable statutes regarding the voluntary annexation of contiguous property.
2. Adequate public services are available in sufficient quantities to properly serve the subject properties.
3. The annexation of the properties will not cause available public services to fall below acceptable levels.

Based upon the findings provided above, staff recommends City Council approve the voluntary contiguous annexation petition.





Prepared by: Arnita Dula, Deputy City Attorney, City of Hickory
P.O. Box 398, Hickory, NC 28603-0398

ANNEXATION ORDINANCE NO. 470

VOLUNTARY ANNEXATION ORDINANCE (NON-CONTIGUOUS)

D&J Properties North Carolina, LLC

**AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE
CITY OF HICKORY, NORTH CAROLINA, PURSUANT TO
GENERAL STATUTES 160A-58.1, AS AMENDED (NON-CONTIGUOUS)**

WHEREAS, the City Council of the City of Hickory desires to annex the area described herein, under G.S. 160A-58.1, as amended; and

WHEREAS, the City Council has by resolution directed the City Clerk to investigate the sufficiency of said annexation; and

WHEREAS, the City Clerk has certified to the sufficiency of said request, and a public hearing on the question of this annexation was held in the Council Chamber of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina, at 7:00 p.m. on the 15th day of February 2022; and

WHEREAS, the City Council of the City of Hickory further finds that the area described therein meets the standards of G.S. 160A-58.1(b), to wit:

- a. The nearest point on the proposed satellite corporate limits is not more than three miles from the corporate limits of the City of Hickory.
- b. No point on the proposed satellite corporate limits is closer to another city than to the City of Hickory.
- c. The areas described are so situated that the City will be able to provide services on the same basis within the proposed satellite corporate limits that it provides within the primary corporate limits.
- d. No subdivision, as defined in G.S. 160A-376, will be fragmented by this proposed annexation.

WHEREAS, the City Council of the City of Hickory does hereby find as a fact that said petition has been signed by all the owners of real property in the area who are required by law to sign and all other requirements of G.S. 160A-58.1, as amended have been complied with; and

WHEREAS, the City Council further finds that the annexation is otherwise valid, and that the public health, safety, and welfare of the City of Hickory and of the areas proposed for annexation will be best served by annexing the area herein described.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HICKORY, NORTH CAROLINA:

Section 1. By virtue of the authority granted by G.S. 160A-58.2, as amended, the following-described non-contiguous territory is hereby annexed and made a part of the City of Hickory as of the 28th day of February 2022:

SATELLITE ANNEXATION
BY THE CITY OF HICKORY
OF THE PROPERTY OF
D&J PROPERTIES NORTH CAROLINA, LLC

Being a 13.384-acre tract in Clines Township, Catawba County, NC, and being more particularly described as follows:

Beginning on an existing 1/2" rod, said rod having NC Grid Coordinates of N.752219.515 and E.1330491.749, said rod being located N27°13'18"E 64.14' from NCGS Monument "Queen AZ.MK" having NC Grid Coordinates of N.752162.480 and E.1330462.410, said rod being the northeastern corner of Rebecca M. Vechik (1488/981); thence with the line of Vechik, N34°24'54"W 51.57' to an existing 1" rod; thence N32°52'09"W 651.18' to an existing stone corner, said stone corner being a common corner of William Luther Watts Heirs (1498/220 and 1876/1056); thence N85°06'48"W 583.67' to an existing 3/4" angle

iron, said angle iron being a common corner of Timothy Lee Boliek (1341/411) and Robert R. Fisher, et al. (3199/720); thence with the line of Fisher, N03°32'28"E 460.46' to an existing 5/8" rebar, said rebar being a common corner of RTT Properties, LLC (3587/674); thence S82°48'50"E 685.69' to an existing stone corner, said stone corner being a common corner of Gene E. Krumanocker (3565/1206) and Rosalind Loritts (2805/830); thence S36°19'03"E 520.86' to an existing 1/2" rebar, said rebar being a common corner of Scottie Joines (3417/853) and John C. McCartney (2103/945); thence with the line of McCartney, S36°23'13"E passing an existing 1/2" rebar at a distance of 319.57', a total distance of 371.72' to a point in the centerline of Sulphur Springs Road NE (SR 1529), said point being located S41°12'46"W 3,186.63' from NCGS Monument "Queen" having NC Grid Coordinates of N.751910.790 and E.1332864.930; thence with the centerline of Sulphur Springs Road NE (SR 1529) the following five (5) calls and distances: (1) S40°38'16"W 113.70' to a point, (2) S40°43'02"W 95.44' to a point, (3) S39°48'33"W 74.89' to a point, (4) S36°05'07"W 68.63' to a point, and (5) S31°02'20"W 58.37' to a point in the centerline of Sulphur Springs Road NE (SR 1529); thence N34°24'54"W 33.40' to an existing 1/2" rod, the point and place of Beginning, containing 13.384 acres by coordinate computation as certified by Carl D. Bunton, PLS-3032 on a survey plat entitled: Satellite Annexation Plat for: "D & J Properties North Carolina, LLC" dated 05/24/2021, revised 10/28/2021.

Section 2. Upon and after the 31st day of December 2021, the above-described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Hickory and shall be entitled to the same privileges and benefits as other parts of the City of Hickory. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10, as amended.

Section 3. The newly annexed territory described herein shall become part of Ward No. 2 of the City of Hickory.

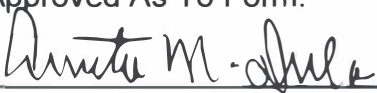
Section 4. The Mayor of the City of Hickory shall cause to be recorded in the Office of the Register of Deeds of Catawba County, and in the Office of the Secretary of State at Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 hereof, together with duly certified copy of this Ordinance. Such a map shall also be delivered to the County Board of Elections, as required by G.S. 163-288.1.

ADOPTED THIS 15TH DAY OF FEBRUARY 2022.

Hank Guess, Mayor

Warren Wood, City Manager

Approved As To Form:



Arnita M. Dula, Deputy City Attorney

CERTIFICATION OF ANNEXATION ORDINANCE

NORTH CAROLINA
CATAWBA COUNTY
CITY OF HICKORY

I, Debbie D. Miller, City Clerk of the City of Hickory, North Carolina, do hereby certify that the Annexation Ordinance of D&J Properties North Carolina, LLC was adopted at a regular meeting of the Hickory City Council held on February 15, 2022, and that said Ordinance is in full force and effective on February 28, 2022.

City Clerk

NORTH CAROLINA
CATAWBA COUNTY

I, _____, a Notary Public in and for said County and State, do hereby certify that Debbie D. Miller, City Clerk for the City of Hickory, personally appeared before me this date and acknowledged the due execution of the foregoing certificate for the purposes therein expressed.

Witness my hand and notarial seal, this _____ day of _____, 2022.

Notary Public

My Commission Expires: _____

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Office of Business Development – Planning and Development

Contact Person: Brian Frazier, Planning Director

Date: February 3, 2022

Re: Consideration of Rezoning Petition 21-07

REQUEST

Conduct a public hearing to consider Rezoning Petition 21-07.

BACKGROUND

D&J Properties NC, LLC has submitted a petition requesting the consideration of rezoning property located on Sulphur Springs Road between 47th Ave PI NE & 48th Avenue Lane NE from Catawba County R-20 to Planned Development (PD).

ANALYSIS

The 13.384 acre property is zoned R-20 Residential by Catawba County and is in the process of being annexed. The R-20 zoning district permits residential uses at a density of two (2) dwelling units per acre.

The property is vacant; however, the owners intend to construct forty-two (42) single-family attached dwellings (townhomes). This amounts to approximately three (3) dwelling units per acre.

RECOMMENDATION

The Hickory Regional Planning Commission conducted a public hearing on December 1, 2021, to consider the petition. During the public hearing, the property owner and the project engineer gave an overview of the proposal. During the hearing one nearby residential spoke but was not in opposition of the petition. The neighboring residents spoke in opposition of the petition citing property values and drainage.

Upon hearing from the petitioner and surrounding residents, the Planning Commission kept the public hearing open and continued consideration until January 26, 2022.

On January 26, 2022, the Planning Commission resumed the public hearing. Upon closing the public hearing, the Hickory Regional Planning Commission acknowledged the petition's consistency with the Hickory by Choice 2030 Comprehensive Plan. Based upon these findings, the Hickory Regional Planning Commission voted unanimously (7-0) to recommend approval of the petition. Staff concurs with the recommendation of the Hickory Regional Planning Commission.

CITIZEN INPUT

As of February 3, 2022, staff has received five (5) inquiries regarding this petition.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Reviewed by:

Brian M. Frazier 2/03/2022
Initiating Department Head Date

Rodney Miller 2/8/22
Asst. City Manager, R. Miller Date

M. Miller 2/4/22
Finance Officer, M. Miller Date

Amata M. Dula 2-4-22
Deputy City Attorney, A. Dula Date

R. Beasley 2/7/22
Asst. City Manager R. Beasley Date

Camryn 2-7-22
Date

Recommended for approval and placement on _____ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc.).

W. Wood
City Manager, W. Wood
2-8-22
Date

**CITY OF HICKORY
APPLICATION FOR REZONING
(PLANNED DEVELOPMENT OR CONDITIONAL ZONING DISTRICT)**

DATE SUBMITTED: 11-03-2021

TO THE PLANNING COMMISSION AND THE CITY COUNCIL OF THE CITY OF HICKORY, NORTH CAROLINA:

I (We), the undersigned, do hereby respectfully make application and petition to amend the Land Development Code and change the Zoning Map of the City of Hickory, as hereinafter requested, and in support of this application, the following facts are shown of the application and all required materials):

1. The property proposed to be rezoned is located on SULPHUR SPRINGS ROAD
between 48TH AVE and 47 AVE.

PIN NO. (S): 373513022954

Physical (Street) Address: _____

2. The property is owned by: (please print) D & J PROPERTIES NORTH CAROLINA, LLC

(Attach a copy of the most recent deed, contract for purchase or other legal interest demonstrating an interest in the property.)

Owner Information:

Name: D&j PROPERTIES NORTH CAROLINA, LLC (DUKE MCLAUHLIN)

Address: 2008 46TH AVE DR NE

Phone Number: 928 - 308 - 3193

Email Address: DUKE@LAKEHICKORYREALTY.COM

3. The petition is submitted by: DUKE MCLAUHLIN

(If the Petition is submitted by someone other than the owner, a letter from the owner(s) authorizing the agent to act on his or her behalf must be submitted with the application. This authorization must be signed and notarized by all owners having an interest in the subject property.)

Agent Information:

Name: DUKE MCLAUHLIN

Address: 2008 46TH AVE DR NE

Phone Number: 828-308-3193

4. It is desired and requested that the foregoing property be REZONED:
FROM: CAT COUNTY R-20 TO: PD
5. Please list any overlay districts that apply to the subject property: _____
6. Please list the current use(s) of the property: VACANT LAND
7. Specify the acreage of the proposed development: 13.384
8. Specify the intensity (gross square footage) and/or density (size and number of dwelling units) of the proposed development: 21 BUILDINGS (SINGLE FAMILY ATTACHED) OR 42 UNITS TOTAL

Additional Required information (40 folded copies of all support information must be provided)

Planned Development Districts

A Planned Development Master Land Use Plan must be submitted as part of all petitions to rezone to a Planned Development district. Such plan shall include maps and plans for the subject property at a scale not smaller than 1" – 200' that depicts the following items:

1. The name of the proposed Planned Development and the names of the developer and design professionals;
2. Scale, dimensions, date, north arrow;
3. Conceptual grading, site preparation and stormwater management;
4. General location, height, number of stories, floor area, orientation, setbacks and proposed land-uses of all structures;
5. Building elevations of all proposed buildings;
6. Open space (designate public or private), floor area, recreation space and impervious surface area necessary to demonstrate conformance with applicable requirements;
7. Landscaping and buffering;
8. Any proposed property subdivision, including proposed future property lines;
9. Primary vehicular and pedestrian circulation system including all proposed exclusive storage bays, turn lanes, vehicular and pedestrian cross access points, points of ingress and egress for principal pedestrian, vehicle, bicycle, and transit;
10. Proposed street layout (both public or private);

- 11. Location of all parking, loading, sanitation and recycling facilities; area and number of parking spaces in parking lots;
- 12. Location, character and intensity of all proposed outdoor lighting fixtures;
- 13. Location of all utility systems;
- 14. Location, height, dimensions and type of all signs; and
- 15. Locally or nationally recognized historic structures.

Conditional Zoning Districts

Conditional Zoning can be applied in conjunction with any base zoning district. Applicants petitioning to rezone to a conditional zoning district must meet all the requirements of the underlying zoning district. All applicants must include a list of additional conditions to be placed upon the subject property with their application. Depending on the complexity of the conditions proposed, a site plan similar to the Master Land Use Plan described above may be required.

Applicant's Affidavit

(All applications must be signed by all persons having an ownership interest in the subject property or include an agent authorization letter that includes the notarized signatures of all property owners)

I (We), the undersigned Applicant(s), hereby certify that the information contained herein and submitted in support of this application is true and correct.

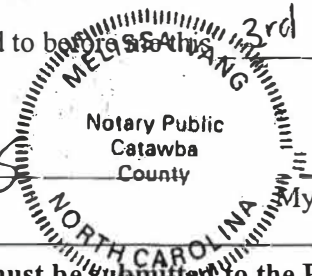
[Handwritten Signature]

Signature of Applicant

Sworn and subscribed to before me this 3rd day of November, 2021.

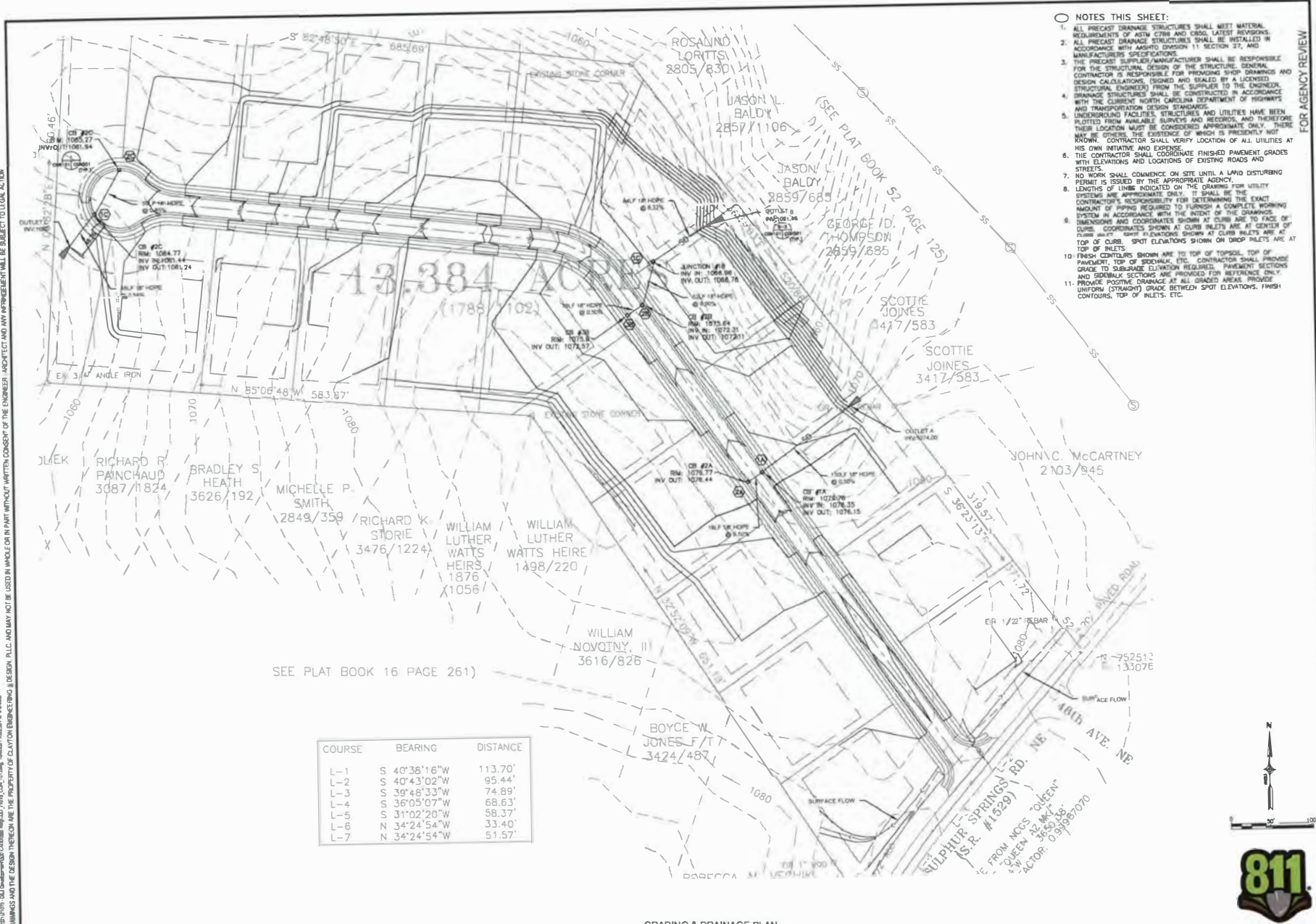
(SEAL) *[Handwritten Signature]*

Notary Public My Commission Expires 12/30/2024



This Application must be submitted to the Planning Department by 5:00 p.m. on the last regular working day of the month preceding the meeting at which it is to be considered by the Planning Commission. Only complete applications will be accepted.

NOT TO BE USED IN PART WITHOUT WRITTEN CONSENT OF THE ENGINEER, ARCHITECT AND ANY PROFESSIONS THAT WILL BE SUBJECT TO LOCAL ACTION.



COURSE	BEARING	DISTANCE
L-1	S 40°38'16"W	113.70'
L-2	S 40°43'02"W	95.44'
L-3	S 39°48'33"W	74.89'
L-4	S 36°05'07"W	68.63'
L-5	S 31°02'20"W	58.37'
L-6	N 34°24'54"W	33.40'
L-7	N 34°24'54"W	51.57'

GRADING & DRAINAGE PLAN
SCALE: 1"=30'

- NOTES THIS SHEET:
1. ALL PRECAST DRAINAGE STRUCTURES SHALL MEET MATERIAL REQUIREMENTS OF ASTM C798 AND C800, LATEST REVISIONS.
 2. ALL PRECAST DRAINAGE STRUCTURES SHALL BE INSTALLED IN ACCORDANCE WITH ANNO 010509 11 SECTION 27, AND MANUFACTURER'S SPECIFICATIONS.
 3. THE PRECAST SUPPLIER/MANUFACTURER SHALL BE RESPONSIBLE FOR THE STRUCTURAL DESIGN OF THE STRUCTURE. GENERAL CONTRACTOR IS RESPONSIBLE FOR PROVIDING SLOPE DRAINAGE AND DESIGN CALCULATIONS, (SIGNED AND SEALED BY A LICENSED STRUCTURAL ENGINEER) FROM THE SUPPLIER TO THE ENGINEER. STRUCTURAL STRUCTURES SHALL BE CONSTRUCTED IN ACCORDANCE WITH THE CURRENT NORTH CAROLINA DEPARTMENT OF HIGHWAYS AND TRANSPORTATION DESIGN STANDARDS.
 4. UNDERGROUND FACILITIES, STRUCTURES AND UTILITIES HAVE BEEN PLOTTED FROM AVAILABLE SURVEYS AND RECORDS, AND THEREFORE THEIR LOCATION MUST BE CONSIDERED APPROXIMATE ONLY. THESE NOTES ADVISE THE EXISTENCE OF WHICH IS PRESIDENTLY NOT KNOWN. CONTRACTOR SHALL VERIFY LOCATION OF ALL UTILITIES AT HIS OWN INITIATIVE AND EXPENSE.
 5. THE CONTRACTOR SHALL COORDINATE FINISHED PAVEMENT GRADES WITH ELEVATIONS AND LOCATIONS OF EXISTING ROADS AND STREETS.
 6. NO WORK SHALL COMMENCE ON SITE UNTIL A LAND DISTURBING PERMIT IS ISSUED BY THE APPROPRIATE AGENCY.
 7. LENGTHS OF LINES INDICATED ON THIS DRAWING FOR UTILITY SYSTEMS ARE APPROXIMATE ONLY. IT SHALL BE THE CONTRACTOR'S RESPONSIBILITY FOR DETERMINING THE EXACT AMOUNT OF PIPING REQUIRED TO FURNISH A COMPLETE WORKING SYSTEM IN ACCORDANCE WITH THE INTENT OF THE DRAWINGS.
 8. DIMENSIONS AND COORDINATES SHOWN AT CURB INLETS ARE TO FACE OF CURB. COORDINATES SHOWN AT CURB INLETS ARE AT CENTER OF CURB. SPOT ELEVATIONS SHOWN AT CURB INLETS ARE AT TOP OF CURB. SPOT ELEVATIONS SHOWN ON DROP INLETS ARE AT TOP OF INLETS.
 9. FINISH CONTOURS SHOWN ARE TO TOP OF TOPSOIL, TOP OF PAVEMENT, TOP OF SIDEWALK, ETC. CONTRACTOR SHALL PROVIDE GRADE TO SUBGRADE ELEVATION REQUIRED. PAVEMENT SECTIONS AND SIDEWALK SECTIONS ARE PROVIDED FOR REFERENCE ONLY.
 10. PROVIDE POSITIVE DRAINAGE AT ALL GRADED AREAS. PROVIDE UNIFORM (STRAIGHT) GRADE BETWEEN SPOT ELEVATIONS. FINISH CONTOURS, TOP OF INLETS, ETC.

FOR AGENCY REVIEW



CLAYTON
ENGINEERING & DESIGN
1208 8TH AVE. NE, PO BOX 235-1 HICKORY, NC 28601

D&J PROPERTIES NORTH CAROLINA, LLC
HICKORY, NORTH CAROLINA
D&J DEVELOPMENT

GRADING & DRAINAGE PLAN

NO.	DATE	DESCRIPTION
1	2/10/21	ISSUED
2	10/29/21	REVISED
3	11/18/21	REVISED
4	12/15/21	REVISED
5	1/11/22	REVISED
6	1/11/22	REVISED
7	1/11/22	REVISED
8	1/11/22	REVISED
9	1/11/22	REVISED
10	1/11/22	REVISED
11	1/11/22	REVISED
12	1/11/22	REVISED
13	1/11/22	REVISED
14	1/11/22	REVISED
15	1/11/22	REVISED
16	1/11/22	REVISED
17	1/11/22	REVISED
18	1/11/22	REVISED
19	1/11/22	REVISED
20	1/11/22	REVISED

CGN101



REZONING ANALYSIS

PETITION: 21-07

APPLICANT: D&J Properties North Carolina, LLC

OWNERS: Duke McLanuchlin

PROPERTY LOCATION: Sulphur Springs Rd Between 47th Ave PI NE & 48th Ave Ln NE

PINS: 3735-13-02-2954

WARD: Upon annexation, will be in, Ward 2 (Councilwoman Williams).

ACREAGE: 13.384

REQUESTED ACTION: Rezone the property from Catawba County R-20 Residential to City of Hickory Planned Development (PD).

BACKGROUND: The property is zoned R-20 by Catawba County. The rezoning request is intended to provide an area for future residential uses, which comes in the form of forty-two (42) single-family attached units (townhomes).

DEVELOPMENT POTENTIAL The subject property is zoned R-20 Residential by Catawba County and is 13.384 acres in total size. The R-20 zoning district permits residential uses at a density of two (2) dwelling units per acre.

The property is vacant; however, the owners intend to construct forty-two (42) single-family attached dwellings (townhomes). This amounts to approximately three (3) dwelling units per acre.

REVIEW CRITERIA: In reviewing and making recommendations on proposed zoning map amendments, review bodies shall consider the following factors:

1. Consistency of the proposed zoning with the *Hickory Comprehensive Land Use and Transportation Plan (Hickory by Choice 2030)* and the stated Purpose and Intent of this Land Development Code;

The general area is classified Low Density Residential by the Hickory by Choice 2030 Comprehensive Plan. (Note: The Hickory by Choice 2030 Comprehensive Plan's Future Land Use map does not contain parcel line data, as the general boundaries of the land use categories are not concrete.) (Please refer to Map 1 for detail).

The Hickory by Choice 2030 Comprehensive Plan states the following about Low Density Residential areas: "this land use category is intended to provide an area of transition between higher density housing in Hickory and the surrounding rural areas..." (HBC 2030, Pg. 3.9).

The PD zoning district is not listed as the implementing zoning district for the Low-Density Residential classification, as each PD is considered on a case-by-case basis. Low Density Residential calls for 2-4 units per acre (HBC 2030, Pg. 3.9). The proposed project would result in a density of roughly 3 units per acre.

Given these factors, the rezoning of the property to PD is consistent with the findings and recommendations of the Hickory by Choice (2030) comprehensive Plan.

Section 1.7 of the Hickory Land Development Code contains its Stated Purpose and Intent. This section contains five (5) specific items which the Land Development Code is intended to uphold. These are as follows:

- Implement the Hickory by Choice 2030 Comprehensive Plan.

The area under consideration for rezoning is indicated by the Hickory by Choice 2030 Comprehensive Plan as being low density residential. The proposed residential density is in keeping with the plan's recommendations.

- Preserve and protect land, air, water and environmental resources and property values.

All improvements that are to take place on the property will be required to follow all applicable development regulations.

- Promote land use patterns that ensure efficiency in service provision as well as wise use of fiscal resource and governmental expenditures.

The subject property will have access to a state-maintained roadway. Public water and sewer infrastructure (upon annexation) will be available to serve the property. During the annexation evaluation process, staff also verified all other public services were available, and would not be diminished with the future development of the subject property. The proposed use of the property represents an efficient use of public services, and the wise use of public funding.

- Regulate the type and intensity of development; and

The current land use pattern of the larger area consists of primarily residential uses (single-family and multi-family). This development pattern will continue under the Planned Development district, as single-family attached residences will be similar in function as those surrounding residential uses. Public resources to provide critical public services are in place to service the area. These include public utilities and transportation infrastructure.

- Ensure protection from fire, flood and other dangers.

Any future development occurring on the subject property will be required to adhere to all state and local building, fire, and flood zone related development regulations. Such regulations will ensure proper protections are provided to ensure surrounding residents, and properties are properly protected as prescribed by law.

2. Existing land uses within the general vicinity of the subject property (**Please refer to Maps 2 & 3 for more detail**):

- **North:** The properties are zoned R-2 Residential and are occupied by single family homes.
- **South:** The properties are zoned R-20 Residential by Catawba County and are occupied by single family homes.
- **East:** The properties are zoned R-2 Residential and are occupied single family homes.
- **West:** The properties are zoned R-20 Residential by Catawba County. These properties are either occupied by single-family residences, or vacant.

3. The suitability of the subject property for the uses permitted under the existing and proposed zoning classification:

The current land use pattern of the larger area consists of residential uses. The rezoning of the property to PD would continue this development pattern.

4. The extent to which zoning will detrimentally affect properties within the general vicinity of the subject property:

The requested Planned Development (PD) is proposed to permit uses and densities similar to those in the vicinity.

5. The extent to which the proposed amendment (zoning map) will cause public services including roadways, storm water management, water and sewer, fire, and police protection to fall below acceptable levels.

Public resources to provide critical public services are in place to service the area. These include public utilities transportation infrastructure, as well as police and fire protection.

6. The proposed amendment (zoning map) will protect the public health, safety, and general welfare.

The subject property is located within an area where the Hickory by Choice 2030 Comprehensive Plan anticipated continued residential growth. The future use of the property will continue this development pattern.

Any future development that occurs of the subject property as the result of the zoning map amendment, will be required to be adhere to regulations related to zoning, building and fire code, traffic, stormwater, etc., which will work in conjunction with one another to ensure the health and safety of residents and visitors are properly protected.

RECOMMENDED ACTION:

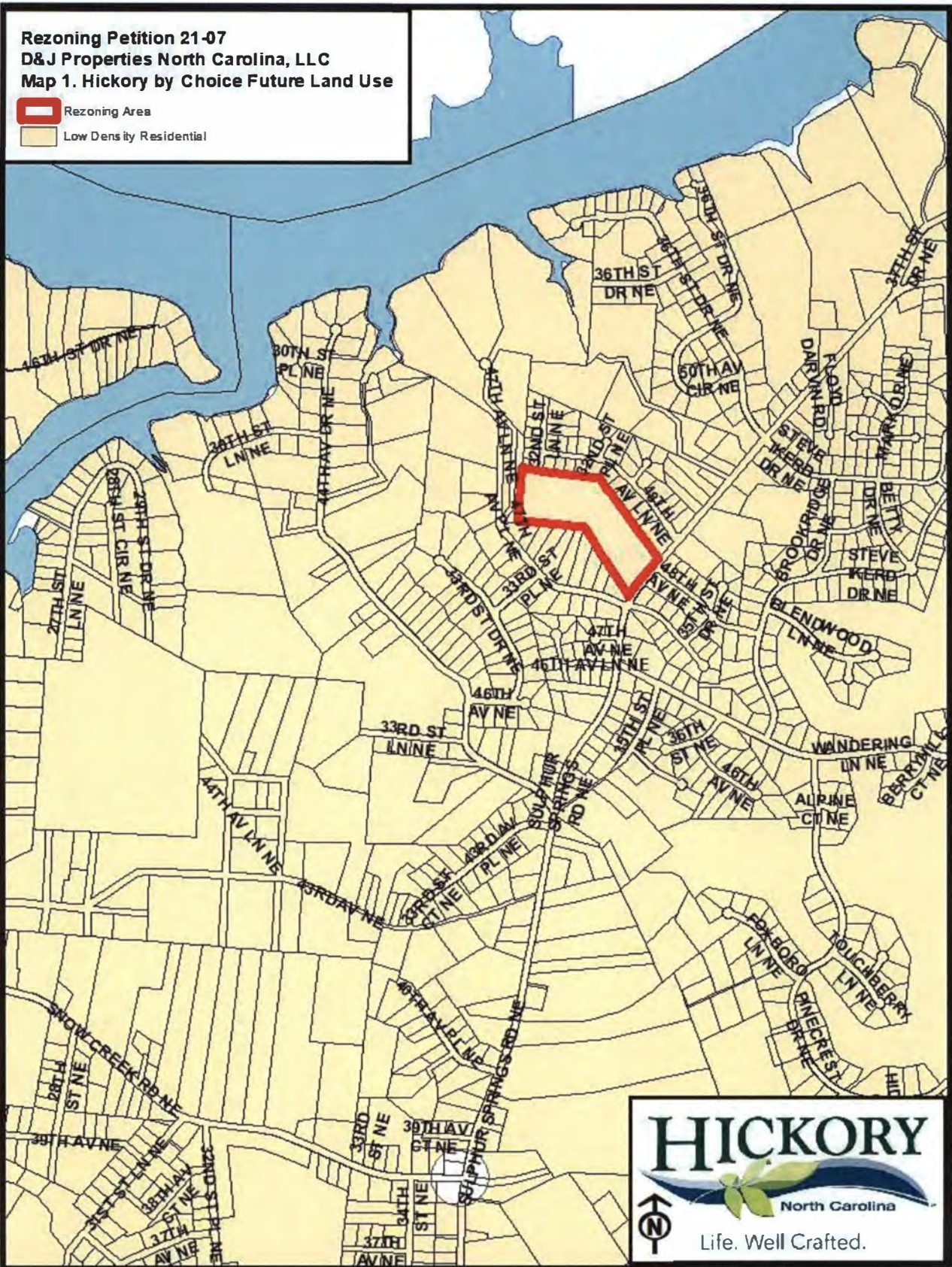
The Hickory Regional Planning Commission conducted a public hearing on December 1, 2021, to consider the petition. During the public hearing, the property owner and the project engineer gave an overview of the proposal. During the hearing one nearby residential spoke but was not in opposition of the petition. The neighboring residents spoke in opposition of the petition citing property values and drainage.

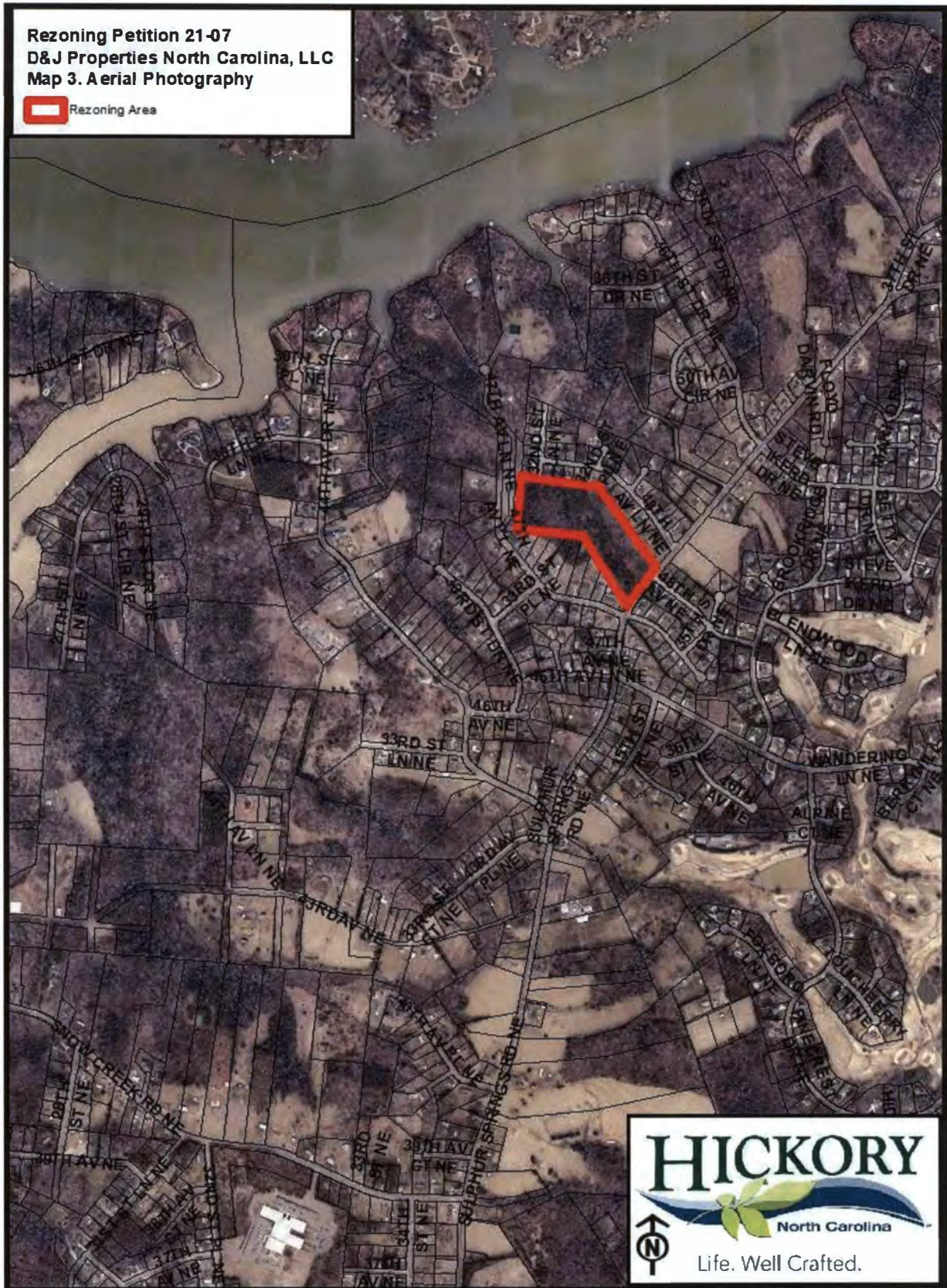
Upon hearing from the petitioner and surrounding residents, the Planning Commission kept the public hearing open and continued consideration until January 26, 2022.

On January 26, 2022, the Planning Commission resumed the public hearing. Upon closing the public hearing, the Hickory Regional Planning Commission acknowledged the petition's consistency with the Hickory by Choice 2030 Comprehensive Plan. Based upon these findings, the Hickory Regional Planning Commission voted unanimously (7-0) to recommend approval of the petition. Staff concurs with the recommendation of the Hickory Regional Planning Commission.

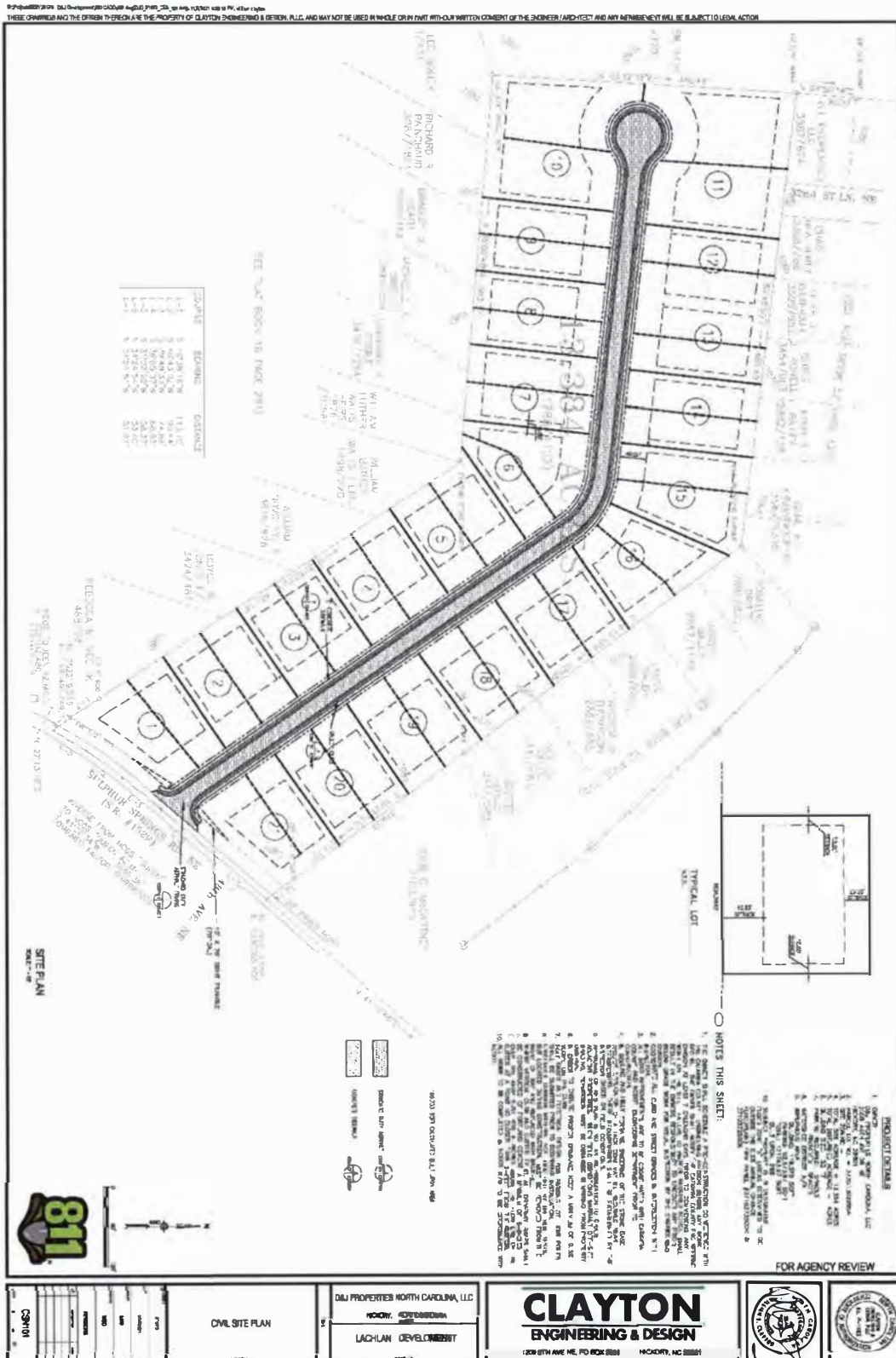
CITIZEN INPUT

As of February 3, 2022 staff has received five (5) inquiries regarding this petition.





Planned Development Layout.
Twenty-one individual lots, each
containing two single-family
attached units.





Life. Well Crafted.

HICKORY REGIONAL PLANNING COMMISSION ZONING MAP AMENDMENT CONSISTENCY STATEMENT

On January 26, 2022 the Hickory Regional Planning Commission conducted a Public Hearing for the purpose of considering Rezoning Petition 21-07. Upon consideration, the Hickory Regional Planning Commission found:

1. The general area under consideration is identified as Low-Density Residential by the Hickory by Choice 2030 Comprehensive Plan's future land use map.
2. The Low-Density Residential classification is intended to provide areas for residential development at an intensity of two (2) to four (4). Units per acre.
3. The requested Planned Development (PD) district proposes residential development at an intensity of three (3) units per acre.
4. The surrounding area consists predominately of lower density residential develop at intensities similar to what is planned.
5. The plan recommends continuing lower density residential development in the larger area.
6. Any and all improvements that are to take place on the property will be required to follow all applicable development regulations.
7. Public infrastructure currently in place in the area is sufficient to handle development possible on the subject property.
8. Any future development that takes place on the subject property will be regulated by current and future development standards duly adopted by the City of Hickory and the State of North Carolina; and
9. Any future development occurring on the subject property will be required to adhere to all state and local building, fire, and flood zone related development regulations. Such regulations will ensure proper protections are provided to ensure surrounding residents, and property owners are properly protect as prescribed by law.

Based upon these findings, the Hickory Regional Planning Commission has found Rezoning Petition 21-07 to be consistent with the findings and recommendations of the Hickory by Choice 2030 Comprehensive Plan and recommends Hickory City Council approval of the petition. This recommendation was affirmed by a 7-0 vote of the Hickory Regional Planning Commission.



 Bill McBrayer, Chairman

1-26-2022

 Date

ORDINANCE NO. _____

AN ORDINANCE OF THE HICKORY CITY COUNCIL AMENDING THE OFFICIAL HICKORY ZONING ATLAS TO REZONE +/- 13.384 ACRES OF PROPERTY LOCATED ON SULPHUR SPRINGS ROAD BETWEEN 47TH AVENUE PLACE NE AND 48TH AVENUE LANE NE FROM CATAWBA COUNTY R-20 RESIDENTIAL TO PLANNED DEVELOPMENT (PD).

WHEREAS, Article 2, Section 2.2 of the Hickory Land Development Code provides for amendments to the Official Zoning Atlas; and

WHEREAS, the City has been petitioned to rezone +/- 13.384 acres of property located on Sulphur Springs Road NE between 47th Avenue Place NE and 48th Avenue Lane NE, more particularly described on **Exhibit A** attached hereto, to allow a Planned Development (PD) district; and

WHEREAS, the Hickory Regional Planning Commission considered the proposed rezoning during a public hearing on January 26, 2022, and forwarded a recommendation of approval to the City Council; and

WHEREAS, Article 2 of the Hickory Land Development Code requires findings the proposed rezoning is in response to changing conditions and is reasonably necessary to promote the public health, safety and general welfare; and

WHEREAS, the City Council has found Petition 21-07 to be in conformance with the Hickory by Choice 2030 Comprehensive Plan and Zoning Ordinance,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF HICKORY, NORTH CAROLINA, THAT THE REZONING OF PROPERTY LOCATED ON SUPPHUR SPRINGS ROAD NE BETWEEN 47TH AVENUE PLACE NE AND 48TH AVENUE LANE NE, DESCRIBED IN EXHIBIT A IS APPROVED.

SECTION 1. Findings of fact.

1. The subject property is located between 47th Avenue Plan NE and 48th Avenue Lane NE and identified as PIN 3735-13-02-2954.
2. The rezoning request is intended to further implement the findings and recommendations of the *Hickory by Choice 2030 Comprehensive Plan*.
3. The rezoning of the property is inconsistent with the *Hickory by Choice 2030 Comprehensive Plan*, but reasonable as the action protects the public's interest and safety.

SECTION 2. All ordinances or provisions of the Hickory City Code which are not in conformance with the provisions of the Amendment occurring herein are repealed as of the effective date of this Ordinance.

SECTION 3. Statement of Consistency and Reasonableness

Upon considering the matter, the Hickory City Council found:

1. Consistency of the proposed zoning with the *Hickory Comprehensive Land Use and Transportation Plan (Hickory by Choice 2030)* and the stated Purpose and Intent of this Land Development Code;

The general area is classified Low Density Residential by the Hickory by Choice 2030 Comprehensive Plan. (Note: The Hickory by Choice 2030 Comprehensive Plan's Future Land Use map does not contain parcel line data, as the general boundaries of the land use categories are not concrete.)

The Hickory by Choice 2030 Comprehensive Plan states the following about Low Density Residential areas: "this land use category is intended to provide an area of transition between higher density housing in Hickory and the surrounding rural areas..." (HBC 2030, Pg. 3.9).

The PD zoning district is not listed as the implementing zoning district for the Low-Density Residential classification, as each PD is considered on a case-by-case basis. However, Low Density Zoning calls for 2-4 units per acre (HBC 2030, Pg. 3.9). The proposed project would result in a density of roughly 3 units per acre.

Given these factors, the rezoning of the properties to PD is consistent with the findings and recommendations of the Hickory by Choice (2030) comprehensive Plan.

2. The Low-Density Residential classification is intended to provide locations for residential development at an intensity of 2 to 4 units per acre.
3. The Planned Development (PD) zoning district's proposed density adheres to the recommendations for areas classified as Low-Density Residential by the Hickory by Choice 2030 Comprehensive Plan.
4. Any and all improvements that are to take place on the property will be required to follow all applicable development regulations.
5. Sufficient public infrastructure is currently in place to handle the type of development possible on the subject property.

- 6. Any future development that takes place on the subject property will be regulated by current and future development standards duly adopted by the City of Hickory and the State of North Carolina; and
- 7. Any future development occurring on the subject property will be required to adhere to all state and local building, fire, and flood zone related development regulations. Such regulations will ensure proper protections are provided to ensure surrounding residents, and property owners are properly protected as prescribed by law.

Based upon these findings, the Hickory City Council has found Rezoning Petition 21-07 to be reasonable, but inconsistent with the findings and recommendations of the Hickory by Choice 2030 Comprehensive Plan.

SECTION 4. This Ordinance shall become effective upon adoption.

ORDAINED by the City Council of Hickory, North Carolina, this, the ____ day of _____, 2022.

(SEAL)

THE CITY OF HICKORY, a
North Carolina Municipal Corporation

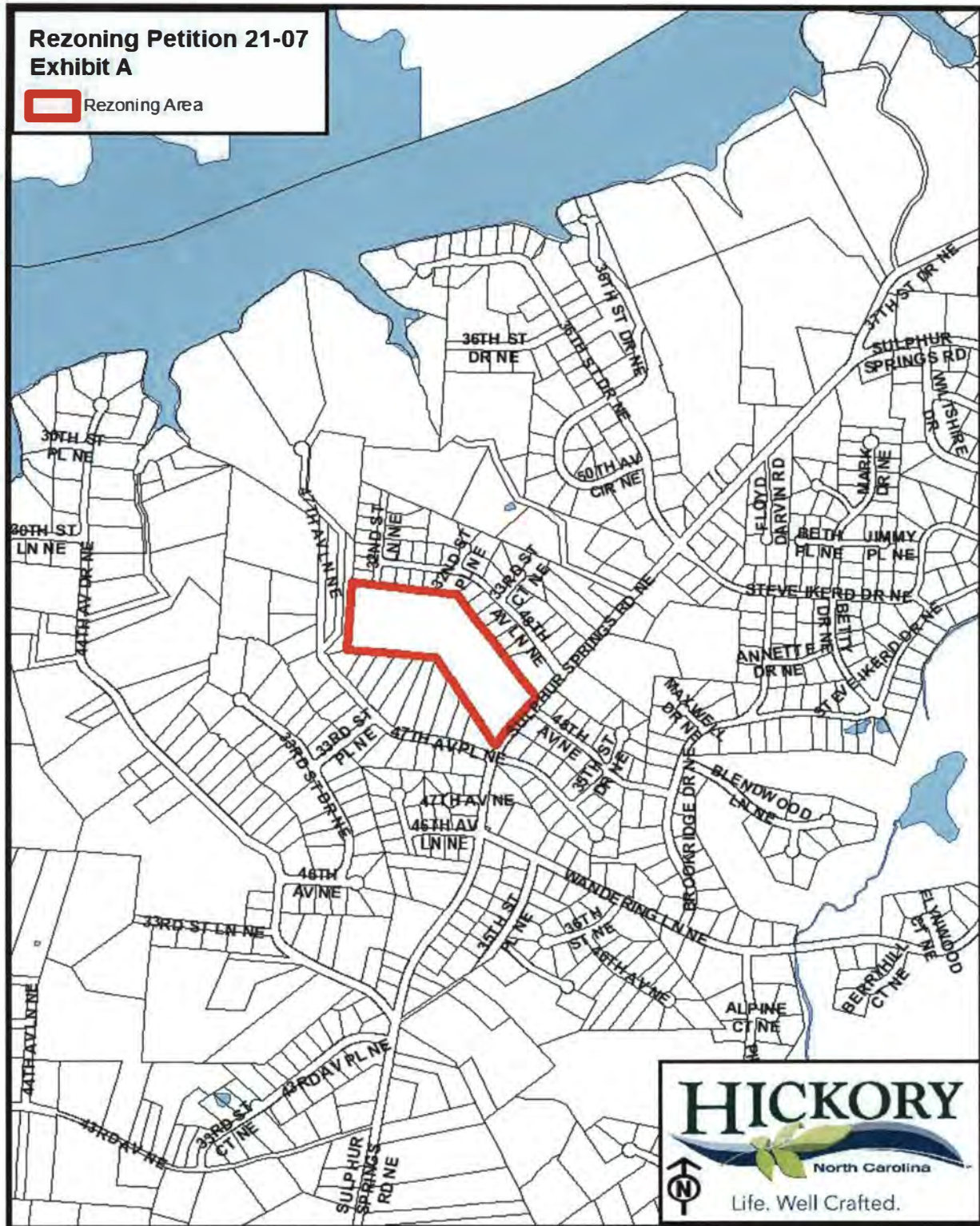
Attest:

By: _____
Hank Guess, Mayor

Debbie D. Miller, City Clerk

Approved as to form this ____ day of _____, 2022.

Attorney for the City of Hickory



To: City Manager's Office

From: Office of Business Development – Planning and Development

Contact Person: Brian Frazier, Planning Director

Date: February 3, 2022

Re: Consideration of Rezoning Petition 22-01

REQUEST

Conduct a public hearing to consider Rezoning Petition 22-01.

BACKGROUND

The Margaret H. Glaze, Josephine Bonniwell Hambrick Revocable Trust & Robert T. Hambrick, III Trust have submitted a petition requesting the consideration of rezoning property located on Spencer Road between 30th Street Court NE and 31st Street Court NE from Hickory R-1 Catawba County R-20 to Hickory R-2 Residential.

ANALYSIS

The 55.49 acre property is zoned R-1 Residential by Hickory and R-20 Residential by Catawba County and was recently annexed. Both zoning districts permit residential uses at a density of two (2) dwelling units per acre.

The subject property is currently vacant; however, the owners' intention is to develop the property for the construction of detached single-family residences. While preliminary development plans have not been provided, the theoretical maximum development yield under R-2 zoning could result in +/-200 residential homes.

RECOMMENDATION

The Hickory Regional Planning Commission conducted a public hearing on January 26, 2022, to consider the petition. During the public hearing, the design engineer provided the Commission with a brief overview of the owners' future intentions. No one spoke in support of, or in opposition of the petition.

Upon closing the public hearing, the Hickory Regional Planning Commission acknowledged the petition's consistency with the Hickory by Choice 2030 Comprehensive Plan. Based upon its findings, the Hickory Regional Planning Commission voted unanimously (7-0) to recommend approval of the petition. Staff concurs with the recommendation of the Hickory Regional Planning Commission.

CITIZEN INPUT

As of February 3, 2022, staff has received one (1) inquiry regarding this petition.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Reviewed by:

Brian M. Frazier
Initiating Department Head

BMF

2/3/2022
Date

Asst. City Manager, R. Miller

R Miller

2/8/22
Date

Finance Officer, M. Miller

M Miller

2/4/22
Date

Deputy City Attorney, A. Dula

Anita M Dula

2-4-22

Date

Asst. City Manager R. Beasley

R Beasley

2/7/22

2/7/22

Date

Camryn [Signature]

2-7-22
Date

Recommended for approval and placement on _____ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc.).

City Manager, W. Wood

W Wood

Date

2-8-22

**CITY OF HICKORY
APPLICATION FOR REZONING (NON PD OR CZ)**

DATE SUBMITTED: 12-30-2021

TO THE PLANNING COMMISSION AND THE CITY COUNCIL OF THE CITY OF HICKORY, NORTH CAROLINA:

I (We), the undersigned, do hereby respectfully make application and petition to amend the Zoning Map of the City of Hickory, as hereinafter requested, and in support of this application, the following facts are shown of the application and all required materials):

1. The property proposed to be rezoned is located on Spencer Road
between 30th ST CT NE and 31st ST PL NE.

PIN NO. (S): 3723-15-63-5314

Physical (Street) Address: None

2. The property is owned by: (please print) Hambrick / Glaze Trust

(Attach a copy of the most recent deed, contract for purchase or other legal interest demonstrating an interest in the property.)

Owner Information:

Name: Josephine Hambrick Trust

Address: 712 8th St Dr NW, Hickory, NC

Phone Number: _____

Email Address: _____

3. The petition is submitted by: City of Hickory

(If the Petition is submitted by someone other than the owner, a letter from the owner(s) authorizing the agent to act on his or her behalf must be submitted with the application. This authorization must be signed and notarized by all owners having an interest in the subject property.)

Agent Information:

Name: None

Address: _____

Phone Number: _____

City of Hickory Rezoning Application (Non-PD or CZ)

4. It is desired and requested that the foregoing property be REZONED:

FROM: R-1 and R-20 TO: R-2

5. Please list the current use(s) of the property: Vacant

5. OWNER'S AFFIDAVIT

We, the undersigned owner(s), hereby certify that the information contained herein and submitted in support of this application is true and correct.

NA
Printed Name of Owner

NA
Signature of Owner

(Please choose the appropriate notary block)

State of North Carolina – County of _____

I, the undersigned Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the due execution of this foregoing instrument for the purposes expressed herein. Witness my hand and Notarial stamp or seal, this _____ day of _____, 20 ____.

My Commission Expires: _____

Notary Public

State of North Carolina – County of _____

I, the undersigned Notary Public of the County and State aforesaid, certify that _____ personally came before me this day and acknowledged the he / she is the _____ of _____ corporation / limited liability corporation / general partnership / limited partnership (strike through the inapplicable), and that by authority duly given and as the act of such entity he /she signed the foregoing instrument in its mane on its behalf as its act and deed. Witness my hand and Notarial stamp or seal, this _____ day of _____, 20 ____.

My Commission Expires: _____

Notary Public

This Application must be submitted to the Planning Department by 5:00 p.m. on the last regular working day of the month preceding the meeting at which it is to be considered by the Planning Commission. Only complete applications will be accepted.

REZONING ANALYSIS

PETITION: 22-01

APPLICANT: City of Hickory

OWNERS: Margaret H. Glaze, Josephine Bonniwell Hambrick Revocable Trust & Robert T. Hambrick, III Trust

PROPERTY LOCATION: Spencer Road between 30th Street Court NE and 31st Street Court NE.

PIN: 3723-15-63-5314

WARD: Upon annexation, this property would be located in Ward 3 (Councilwoman Seaver).

ACREAGE: 55.49 acres

REQUESTED ACTION: Rezone the property from R-1 and R-20 Residential to R-2 Residential.

BACKGROUND: The property is currently zoned R-1 by the City of Hickory and R-20 by Catawba County. Most of the property is located within Hickory's extra-territorial jurisdiction (ETJ). The property in its entirety, is in the process of being annexed. The owners' intention is for the property to be developed into a residential subdivision, consisting of single-family detached residences.

DEVELOPMENT POTENTIAL: The subject property is currently zoned R-1 Residential by Hickory and R-20 Residential by Catawba County, and totals 55.49 acres in total size. The current R-1 and R-20 zoning districts both permit one and two-family residential uses at a density of two (2) dwelling units per acre.

The subject property is currently vacant; however, the owners' intention is to develop the property for the construction of detached single-family residences. While preliminary development plans have not been provided, the theoretical maximum development yield under R-2 zoning could result in +/-200 residential homes.

REVIEW CRITERIA: In reviewing and making recommendations on proposed zoning map amendments, review bodies shall consider the following factors:

1. Consistency of the proposed zoning with the *Hickory Comprehensive Land Use and Transportation Plan (Hickory by Choice 2030)* and the stated Purpose and Intent of this Land Development Code;

The general area is classified Low Density Residential by the Hickory by Choice 2030 Comprehensive Plan. (Note: The Hickory by Choice 2030 Comprehensive Plan's Future Land Use map does not contain parcel line data, as the general boundaries of the land use categories are not concrete.) (Please refer to Map 1 for detail).

The Hickory by Choice 2030 Comprehensive Plan states the following about Low Density Residential areas: "this classification is intended to provide an area of transition between higher density housing and the surrounding area by offering development at two (2) to four (4) units per acre, (HBC 2030, Pg. 3.9). The Hickory by Choice 2030 Comprehensive Plan goes on to state; "although the gross density in these areas is proposed to be less than Medium Density Residential, conservation subdivision design principles can provide

opportunities for a combination small and large lot development that helps preserve open space and protect environmentally sensitive areas” (HBC 2030, Pg. 3.9)

The R-2 zoning district is not listed as the implementing zoning district for the Low-Density Residential classification; however, the density discussed within the quoted section of the Hickory by Choice 2030 Comprehensive Plan clearly states densities up to four (4) units per acre are appropriate for the area. The R-2 district permits density up to, but not more than, four (4) units per acre, which is compatible with the language found with the Hickory by Choice 2030 Comprehensive Plan.

Given these factors, the rezoning of the property to R-2 Residential should be considered consistent with the findings and recommendations of the Hickory by Choice (2030) comprehensive Plan.

Section 1.7 of the Hickory Land Development Code contains its Stated Purpose and Intent. This section contains five (5) specific items which the Land Development Code is intended to uphold. These are as follows:

- Implement the Hickory by Choice 2030 Comprehensive Plan.

The area under consideration for rezoning is indicated by the Hickory by Choice 2030 Comprehensive Plan as being a future residential area with residential densities between two (2) and four (4) units per acre.

- Preserve and protect land, air, water and environmental resources and property values.

All improvements that are to take place on the property will be required to follow all applicable development regulations.

- Promote land use patterns that ensure efficiency in service provision as well as wise use of fiscal resource and governmental expenditures.

The subject property has access to a state-maintained roadway (Spencer Road / SR 1441), as well as water and sewer infrastructure (upon annexation). During the annexation evaluation process, staff also verified all other public services were available, and would not be diminished with the future development of the subject property. The land-use pattern of the area, with the inclusion of the subject property, represents an efficient use of public services, and the wise use of public funding.

- Regulate the type and intensity of development; and

The current land use pattern of the larger area consists almost entirely of single-family dwellings. This development pattern will continue under the R-2 Residential district, as only single-family residences are permitted under this zoning classification. The future use of the property is best suited to further the existing development pattern of the area. Public resources to provide critical public services are in place to service the area. These include public utilities and transportation infrastructure.

- Ensure protection from fire, flood and other dangers.

Any future development occurring on the subject property will be required to adhere to all state and local building, fire, and flood zone related development regulations. Such regulations will ensure proper protections are provided to ensure surrounding residents, and property are properly protected as prescribed by law.

2. Existing land uses within the general vicinity of the subject property (**Please refer to Maps below for more detail**):

- **North:** The properties are zoned R-1 Residential (Hickory) and R-20 Residential (Catawba County) and are either occupied by single-family residences or vacant.
- **South:** The properties are zoned R-1 Residential (Hickory) and are either occupied by single-family residences or vacant.
- **East:** The properties are part of the Stone Ridge neighborhood and zoned R-1 Residential (Hickory) and R-20 Residential (Catawba County). These properties are occupied by single-family residences.
- **West:** The properties are zoned R-1 Residential (Hickory) and are either occupied by single-family residences or vacant.

3. The suitability of the subject properties for the uses permitted under the existing and proposed zoning classification:

The current land use pattern of the larger area consists largely of single-family residences. The rezoning of the property to R-2 Residential would continue this development pattern and mirror the existing City zoning already in place in the surrounding area.

4. The extent to which zoning will detrimentally affect properties within the general vicinity of the subject property:

The requested Medium Density Residential (R-2) zoning is similar to the existing zoning. The permissible uses of R-2 zoning will aid in enhancing the existing minimizing future impacts on the neighborhood.

5. The extent to which the proposed amendment (zoning map) will cause public services including roadways, storm water management, water and sewer, fire, and police protection to fall below acceptable levels.

Public resources to provide critical public services are in place to service the area. These include public utilities transportation infrastructure, as well as police and fire protection.

6. The proposed amendment (zoning map) will protect the public health, safety, and general welfare.

The subject property is located within an area where the Hickory by Choice 2030 Comprehensive Plan anticipated continued residential development. The future use of the property is residential.

Any future development that occurs of the subject property as the result of the zoning map amendment, will be required to be adhere to regulations related to zoning, building and

fire code, traffic, stormwater, etc., which will work in conjunction with one another to ensure the health and safety of residents and visitors are properly protected.

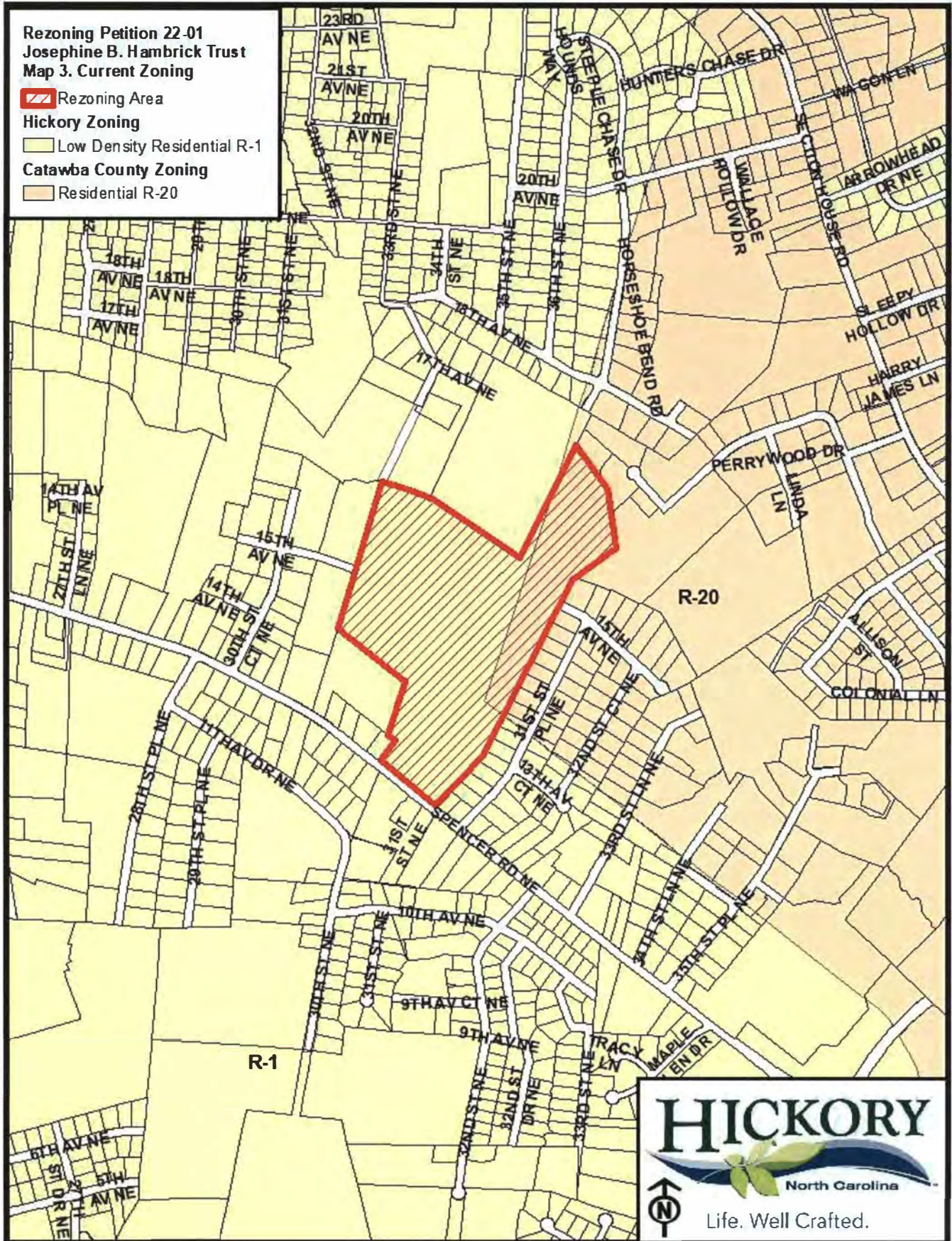
RECOMMENDED ACTION:

The Hickory Regional Planning Commission conducted a public hearing on January 26, 2022, to consider the petition. During the public hearing, the design engineer provided the Commission with a brief overview of the owners' future intentions. No other spoke in support of or in opposition of the petition.

Upon closing the public hearing, the Hickory Regional Planning Commission acknowledged the petition's consistency with the Hickory by Choice 2030 Comprehensive Plan. Based upon its findings, the Hickory Regional Planning Commission voted unanimously (7-0) to recommend approval of the petition. Staff concurs with the recommendation of the Hickory Regional Planning Commission.


CITIZEN INPUT

As of February 3, 2022, staff has received one (1) inquiry regarding this petition.





Rezoning Petition 22-01
Josephine B. Hambrick Trust
Map 4. 2021 Aerial Photography

 Rezoning Area

St. Stephens Elementary

HICKORY

North Carolina



Life. Well Crafted.




**HICKORY REGIONAL PLANNING COMMISSION
ZONING MAP AMENDMENT CONSISTENCY STATEMENT**

On January 26, 2022 the Hickory Regional Planning Commission conducted a Public Hearing for the purpose of considering Rezoning Petition 22-01. Upon consideration, the Hickory Regional Planning Commission found:

1. The general area is classified as Low Density Residential by the Hickory By Choice 2030 Comprehensive Plan, and the rezoning of the property to Medium Density Residential (R-2) is in keeping with the plan's recommended density for area classified as Low Density Residential;
2. The Low Density Residential classification is intended to provide an area of transition between higher density housing and the surrounding area by offering development at two (2) to four (4) units per acre;
3. The R-2 zoning district's permissible density adheres to the recommendations for areas classified as Low Density Residential by the Hickory by Choice 2030 Comprehensive Plan;
4. Any and all improvements that are to take place on the property will be required to follow all applicable development regulations;
5. Public infrastructure currently in place in the area is sufficient to handle the type of development possible on the subject property;
6. Any future development that takes place on the subject property will be regulated by current and future development standards duly adopted by the City of Hickory and the State of North Carolina; and
7. Any future development occurring on the subject property will be required to adhere to all state and local building, fire, and flood zone related development regulations. Such regulations will ensure proper protections are provided to ensure surrounding residents, and property owners are properly protect as prescribed by law.

Based upon these findings, the Hickory Regional Planning Commission has found Rezoning Petition 22-01 to be consistent with the findings and recommendations of the Hickory by Choice 2030 Comprehensive Plan, and recommends Hickory City Council approval of the petition. This recommendation was affirmed by a 7-0 vote of the Hickory Regional Planning Commission.



Bill McBrayer, Chairman

1-26-2022

Date

ORDINANCE NO. _____

AN ORDINANCE OF THE HICKORY CITY COUNCIL AMENDING THE OFFICIAL HICKORY ZONING ATLAS TO REZONE +/- 55.49 ACRES OF PROPERTY LOCATED ON SPENCER ROAD BETWEEN 30TH STREET COURT NE AND 31ST STREET COURT NE FROM CITY OF HICKORY R-1 RESIDENTIAL AND CATAWBA COUNTY R-20 RESIDENTIAL TO CITY OF HICKORY R-2 RESIDENTIAL.

WHEREAS, Article 2, Section 2.2 of the Hickory Land Development Code provides for amendments to the Official Zoning Atlas; and

WHEREAS, the City has been petitioned to rezone +/- 55.49 acres of property located on Spencer Road between 30th Street Court NE and 31st Street Court NE, more particularly described on **Exhibit A** attached hereto, to allow a R-2 Residential; and

WHEREAS, the Hickory Regional Planning Commission considered the proposed rezoning during a public hearing on January 26, 2022, and forwarded a recommendation of approval to the City Council; and

WHEREAS, Article 2 of the Hickory Land Development Code requires findings the proposed rezoning is in response to changing conditions and is reasonably necessary to promote the public health, safety and general welfare; and

WHEREAS, the City Council has found Petition 22-01 to be in conformance with the Hickory by Choice 2030 Comprehensive Plan and Zoning Ordinance,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF HICKORY, NORTH CAROLINA, THAT THE REZONING OF PROPERTY LOCATED ON SULPHUR SPRINGS RAD NE BETWEEN 47TH AVENUE PLACE NE AND 48TH AVENUE LANE NE, DESCRIBED IN EXHIBIT A IS APPROVED.

SECTION 1. Findings of fact.

1. The subject property is located on Spencer Road between 30th Street Court NC and 31st Street Court NE and identified as PIN 3723-15-63-5314.
2. The rezoning request is intended to further implement the findings and recommendations of the *Hickory by Choice 2030 Comprehensive Plan*.
3. The rezoning of the property is inconsistent with the *Hickory by Choice 2030 Comprehensive Plan*, but reasonable as the action protects the public's interest and safety.

SECTION 2. All ordinances or provisions of the Hickory City Code which are not in conformance with the provisions of the Amendment occurring herein are repealed as of the effective date of this Ordinance.

SECTION 3. Statement of Consistency and Reasonableness

Upon considering the matter, the Hickory City Council found:

1. Consistency of the proposed zoning with the *Hickory Comprehensive Land Use and Transportation Plan (Hickory by Choice 2030)* and the stated Purpose and Intent of this Land Development Code;

The general area is classified Low Density Residential by the Hickory by Choice 2030 Comprehensive Plan. (Note: The Hickory by Choice 2030 Comprehensive Plan's Future Land Use map does not contain parcel line data, as the general boundaries of the land use categories are not concrete.)

The Hickory by Choice 2030 Comprehensive Plan states the following about Low Density Residential areas: "this land use category is intended to provide an area of transition between higher density housing in Hickory and the surrounding rural areas..." (HBC 2030, Pg. 3.9).

The R-2 Residential zoning district is not listed as the implementing zoning district for the Low-Density Residential classification; however, the density discussed in the quoted section of the Hickory by Choice 2030 Comprehensive Plan clearly states densities up to four (4) units per acre are appropriate for the area. The R-2 district permits density up to four (4) units per acre, which is compatible with the language found within the Hickory by Choice 2030 Comprehensive Plan.

Given these factors, the rezoning of the properties to R-2 Residential is consistent with the findings and recommendations of the Hickory by Choice (2030) comprehensive Plan.

2. The Low-Density Residential classification is intended to provide locations for residential development at an intensity of 2 to 4 units per acre.
3. R-2 Residential zoning district's permissible density adheres to the recommendations for areas classified as Low-Density Residential by the Hickory by Choice 2030 Comprehensive Plan.
4. Any and all improvements that are to take place on the property will be required to follow all applicable development regulations.

- 5. Sufficient public infrastructure is currently in place to handle the type of development possible on the subject property.
- 6. Any future development that takes place on the subject property will be regulated by current and future development standards duly adopted by the City of Hickory and the State of North Carolina; and
- 7. Any future development occurring on the subject property will be required to adhere to all state and local building, fire, and flood zone related development regulations. Such regulations will ensure proper protections are provided to ensure surrounding residents, and property owners are properly protected as prescribed by law.

Based upon these findings, the Hickory City Council has found Rezoning Petition 22-01 to be reasonable, but inconsistent with the findings and recommendations of the Hickory by Choice 2030 Comprehensive Plan.

SECTION 4. This Ordinance shall become effective upon adoption.

ORDAINED by the City Council of Hickory, North Carolina, this, the ____ day of _____, 2022.

(SEAL)

THE CITY OF HICKORY, a
North Carolina Municipal Corporation

Attest:

By: _____
Hank Guess, Mayor

Debbie D. Miller, City Clerk

Approved as to form this ____ day of _____, 2022.

Attorney for the City of Hickory

