



**CITY COUNCIL
REVISED AGENDA
BUSINESS MEETING
KANNAPOLIS CITY HALL
401 LAUREATE WAY, KANNAPOLIS, NC
FEBRUARY 26, 2024
6:00 PM**

Please Turn off Cell Phones or Place on Silent Mode.

CALL TO ORDER AND WELCOME

MOMENT OF SILENT PRAYER AND PLEDGE OF ALLEGIANCE

ADOPTION OF AGENDA - Motion to Adopt Agenda or make revisions

PROCLAMATIONS

- A. Buddy Hilbish & Hilbish Motor Company (Darrell Hinnant, Mayor)

COMMUNITY ORGANIZATION AND CITY DEPARTMENT SPOTLIGHT

- A. Community Organization Spotlight: Kannapolis Cannon Ballers (Matt Millward, General Manager, Kannapolis Cannon Ballers)
- B. City Department Spotlight: Water Resources (Alex Anderson, Director of Water Resources)

CONSENT AGENDA - Motion to Adopt Consent Agenda or make revisions

- A. **CANCEL**- March 11, 2024 City Council Meeting (Mike Legg, City Manager)
- B. **RESOLUTION** - Adopt Ordinance to Permit Reimbursement Agreements (Walter Safrit, City Attorney)
- C. **BUDGET ORDINANCE** - CDBG Program Income (Kristin Jones, Assistant to the City Manager)
- D. **MOTION** - Adopt the amended Pay & Classification Plan (Heather James, Human Resources Director)
- E. **MOTION** - Award bid to Harper General Contracts for the Clearwell #1 and #2 Rehabilitation (Alex Anderson, Director of Water Resources, Kristin Jones, Assistant to the City Manager)
- F. **MOTION** - Approve the City of Kannapolis 2024 Federal Action Plan (Mike Legg, City Manager)

- G. **RESOLUTION** - Approving Sale of property at 409 & 413 N. Cannon Blvd. (Irene Sacks, Director of Economic & Community Development, Walter Safrit, City Attorney)
- H. **RESOLUTION** - Approving sole source repairs to West Avenue traffic circle signage and authorize City Manager to execute a purchase order. (Walter Safrit, City Attorney)

BUSINESS AGENDA

- A. **PUBLIC HEARING - DA (2024-01)** - McDonalds, LLC and MPV Kellswater LLC (Kellswater Commons) - Conduct a Public Hearing and approve a Resolution approving the Ordinance for the execution of the Development Agreement. (Richard Smith, Planning Director)
- B. **RESOLUTION** - Acknowledging and Supporting U.S. Postal Service Zip Code Alternate City Line Addressing (Richard Smith, Planning Director, Annette Privette Keller, Director of Communications)
- C. **DISCUSSION** - NCRC Campus Horseshoe Property Improvements (Mike Legg, City Manager)

CITY MANAGER REPORT

CITY COUNCIL COMMENTS

SPEAKERS FROM THE FLOOR

CLOSED SESSION - GS. 143-318.11 (a) (3) to consult with an attorney in order to preserve the attorney client privilege and G.S. 143.318.11 (a) (4) for discussing matters relating to the location or expansion of industries or businesses in the area (Mayor Pro tem Wilson)

MOTION TO ADJOURN

ADA Notice and Hearing Impaired Provisions

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), anyone who requires auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in a program, service or activity of the City, contact Heather James, Human Resource Director at 704-920-4233 or email hjames@kannapolisnc.gov as soon as possible, but no later than forty-eight (48) hours before the scheduled event.



***Office of the Mayor
Kannapolis, North Carolina
Proclamation Celebrating the 70th Anniversary of
Hilbish Motor Company & the 100th Birthday of
BUDDY HILBISH***

WHEREAS, the Hilbish family has been an integral part of Kannapolis's history for generations, beginning when Buddy Hilbish moved to Kannapolis and purchased the former Yoos Motor dealership in 1954 and in 1958 purchased a second, Concord Motors. The two dealerships merged at Hilbish Ford's current location in 1968, and

WHEREAS, as a locally owned and operated dealership, Hilbish Motor Company is deeply rooted in the community and gives back to the neighborhood that has supported them over the years, sponsoring the Teacher of the Month program, supporting Veteran's promotions with the Kannapolis Cannon Ballers, and hosting free concerts in the park. One of the most cherished annual events is the celebration lunch held every November to honor and appreciate First Responders, and

WHEREAS, Buddy has not only been a long-time businessman in the City of Kannapolis, but has been a true friend from all walks of life and all ages because of his knowledge, experienced wisdom, and love for this community, and

WHEREAS, as we celebrate the 70th anniversary of Hilbish Motor Company and honor Buddy Hilbish on reaching an extraordinary milestone of his 100th birthday, may this celebration be an especially joyful reminder of a century of living life right and a happy addition to fond memories of birthdays past.

NOW THEREFORE, I, MILTON DARRELL HINNANT, Mayor of the City of Kannapolis, North Carolina, by the virtue of the authority vested in me as Mayor together with the Kannapolis City Council, deem it an honor and pleasure to extend our congratulations as Hilbish Motor Company celebrates their 70th anniversary and best wishes to Buddy Hilbish on his 100th birthday.

IN WITNESS WHEREOF I have set my hand and caused the Great Seal of the City of Kannapolis to be affixed this 26th day of February 2024





Kannapolis City Council

City Council Agenda Staff Report
February 26, 2024

To: Mayor and City Council
From: Matt Millward, General Manager, Kannapolis Cannon Ballers
Subject: Community Organization Spotlight: Kannapolis Cannon Ballers

Action Requested by City Council

None. Presentation Only.

Required Votes to Pass Required Action

Presentation Only. No Action Required

Background

Matt Millward, General Manager of the Kannapolis Cannon Ballers will make a brief presentation to City Council.

Fiscal Implications

Policy Issues

Legal Issues

Recommendations and Alternate Courses of Action

None. Presentation Only.

Attachments

None



Kannapolis City Council

City Council Agenda Staff Report
February 26, 2024

To: Mayor and City Council
From: Alex Anderson, Director of Water Resources
Subject: City Department Spotlight: Water Resources

Action Requested by City Council

None. Presentation Only.

Required Votes to Pass Required Action

Presentation Only. No Action Required

Background

Alex Anderson, Director of Water Resources will make a brief presentation to City Council.

Fiscal Implications

Policy Issues

Legal Issues

Recommendations and Alternate Courses of Action

Attachments

None



Kannapolis City Council

City Council Agenda Staff Report
February 26, 2024

To: Mayor and City Council
From: Mike Legg, City Manager
Subject: **CANCEL-** March 11, 2024 City Council Meeting

Action Requested by City Council

Motion to cancel the March 11, 2024 City Council Meeting.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

The National League of Cities Congressional Conference will be held March 10 - March 14, 2024. Due to several members of the City Council and Staff attending the conference in Washington, DC, it is recommended that the March 11, 2024 meeting be canceled.

Fiscal Implications

None

Policy Issues

None

Legal Issues

None

Recommendations and Alternate Courses of Action

1. **Motion to cancel the March 11, 2024 City Council Meeting (Recommended).**
2. Do not cancel meeting and reschedule.

Attachments

None



Kannapolis City Council

City Council Agenda Staff Report
February 26, 2024

To: Mayor and City Council
From: Walter Safrit, City Attorney
Subject: **RESOLUTION** - Adopt Ordinance to Permit Reimbursement Agreements

Action Requested by City Council

Adopt the Resolution

Required Votes to Pass Required Action

Requires 2/3's vote or 5 votes

Background

Local governments in North Carolina must comply with the statutory requirements for purchasing and contracting when constructing infrastructure through the expenditure of public monies. Article 8 of Chapter 143 contains the statutory requirements for purchasing and contracting. If a construction project is estimated to cost \$300,000 or more, the local government is required to formally bid the project. If the project is less, the bidding is informal. G.S. 143-128.2 contains the minority bidding requirements applicable to any construction project. G.S. 143-129 contains the public advertising and bid opening requirements applicable to any construction project.

However, NCGS 160A-499 being implemented by this Ordinance allows a City to enter into reimbursement agreements with private developers and property owners for the design and construction of municipal infrastructure and places the burden for bidding and advertising on the developer or owner.

To implement the Statute, the City must enact an ordinance setting out the procedures and terms under which such agreements can be approved. Payment for the reimbursements may come from any lawful source.

All of the following would apply to any such agreement:

1. The infrastructure would have to be included in the Capital Improvement Plan of the City.
2. The infrastructure would have to serve the developer or property owner.
3. The developer or property owner would have to comply with the provisions of G.S. 143-129 and G.S. 143-128.2 relating to public advertising and bid opening, if applicable, if the Developer or property owner desires to be reimbursed by the City.

This is a time-saving tool for the City as it allows the Developer to construct the needed infrastructure yet requires the steps necessary to get the facilities at a reasonable cost.

Fiscal Implications

None

Policy Issues

None

Legal Issues

Reimbursement Agreements are permitted by statute subject to the considerations stated in the Ordinance

Recommendations and Alternate Courses of Action

- 1. Adopt the Resolution (Recommended)**
2. Amend Resolution or Ordinance then adopt
3. Continue consideration to a future meeting
4. Take no action.

Attachments

1. Resolution Adopting Ordinance Permitting Reimbursement Agreements
2. CITY OF KANNAPOLIS ORDINANCE

Resolution # _____

**CITY OF KANNAPOLIS
RESOLUTION
ADOPTING ORDINANCE PERMITTING REIMBURSEMENT AGREEMENTS**

WHEREAS, pursuant to North Carolina General Statutes 160A-499 this Ordinance is presented for adoption to the Kannapolis City Council; and

WHEREAS, the City Council finds that the Ordinance is consistent with the North Carolina General Statutes and in the best interest of the City.

NOW, THEREFORE, BE IT RESOLVED, as follows by the Kannapolis City Council that:

1. Pursuant to the authority granted to the City by North Carolina General Statute 160A-499, the City Council hereby adopts the Ordinance attached hereto permitting the City to enter into reimbursement agreements with private developers and property owners for the design and construction of municipal infrastructure.
2. This Ordinance is effective upon adoption.

Adopted this 26th day of February 2024.

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC
City Clerk

CITY OF KANNAPOLIS
ORDINANCE

WHEREAS, the North Carolina General Statute 160A-499 provides that a City may enter into reimbursement agreements with private developers and property owners for the design and construction of public infrastructure; and

WHEREAS, the Statute further provides that a City shall enact an ordinance setting forth the procedures and terms under which such agreements may be approved; and

WHEREAS, a reimbursement agreement authorized by G.S. 160A-499 shall not be subject to Article 8 of Chapter 143 of the General Statutes or deemed to be a violation or invasion of said Article.

NOW THEREFORE, pursuant to the authority granted to the City of Kannapolis pursuant to G.S. 160A-499, the City Council does hereby ordain as follows:

1. The City Manager is hereby authorized to negotiate and present to City Council for consideration and approval reimbursement agreements with private developers and property owners for the design and construction of public infrastructure that is included on the City's Capital Improvement Plan or similar Municipal Infrastructure Development Plan which serves the developer of property owner.
2. The term "public infrastructure" shall include, without limitation, water mains, sanitary sewer lines, lift stations, stormwater lines, streets, curbs and gutters, parking facilities, sidewalks, traffic control devices and other associated facilities.
3. Any reimbursement agreement considered by City Council shall provide the lawful source from which funds will be provided for such agreements before approval.
4. Any reimbursement agreement presented to City Council for consideration shall clearly state the public purpose which will be served by the agreement.
5. A construction contract subject to a reimbursement agreement authorized by this Ordinance shall not be awarded by a developer or property owner who is a party to such reimbursement agreement without complying with the public advertising and bid opening requirements of G.S. 143-129 and G. S. 143-128.2 which would be applicable if the construction contract had been awarded by the City. The Developer or Property Owner shall be required to prove compliance with this provision.
6. This Ordinance shall take effect upon adoption.

Adopted this 26th day of February 2024.

Milton D. Hinnant
Mayor

Bridgette Bell, MMC, NCCMC
City Clerk



Kannapolis City Council

City Council Agenda Staff Report
February 26, 2024

To: Mayor and City Council
From: Kristin Jones, Assistant to the City Manager
Subject: **BUDGET ORDINANCE** - CDBG Program Income

Action Requested by City Council

Motion to approve the budget ordinance which appropriates CDBG program income to be used towards urgent repairs.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

The City has \$81,400 in program income to be recorded in the CDBG fund to be used towards urgent repairs.

Fiscal Implications

This budget amendment budgets the revenues as CDBG program income which must be spent before regular CDBG allocations on urgent reaper projects per HUD rules.

Policy Issues

None.

Legal Issues

None.

Recommendations and Alternate Courses of Action

1. Motion to approve the budget ordinance which appropriates CDBG program income funds to be used towards urgent repairs (**Recommended**).
2. Table to a future meeting.
3. Take no action.

Attachments

1. CDBG Program Income- FY 24 CBDX Program income (81400)

**CITY OF KANNAPOLIS, NORTH CAROLINA
COMMUNITY DEVELOPMENT BLOCK GRANT ENTITLEMENT PROGRAM
FY 2023-2024**

BE IT ORDAINED by the City Council of the City of Kannapolis, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following Grant Project Budget Ordinance is hereby adopted:

Section 1. The project authorized is the Community Development Block Grant Entitlement Program described in the work statement contained in the Grant Agreement for urgent repair project.

Section 2. The City Manager is hereby directed to proceed with the Project with the North Carolina General Statutes, the terms of the Grant document(s) and the budget contained herein.

Section 3. The following revenues are anticipated to be available to complete this project:

CDBG Program Income:	\$81,400
75000-33350-CPRX	

Total Revenues:	\$81,400
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Section 4. The following amount is appropriated for the project:

Rehabilitation Expenses	\$81,400
75000-51950-CPRX	

Total Expenditures:	\$81,400
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Section 5. The Finance Officer is hereby directed to maintain within the Grant Project sufficient specific detailed accounting records to provide for accounting to the City Council grantor agency required by the Grant Agreement(s) and federal and state regulations.

Section 6. The Finance Officer is directed to report quarterly on the financial status of each project element in Section 4 and on total grant revenues received or claimed.

Section 7. The Finance Officer is directed to include a detailed analysis of past and future costs and revenues on this project in every budget submission presented to City Council.

Section 8. The City Manager is hereby authorized to transfer funds from one line item to another line item without further approval by the City Council.

Section 9. Copies of this Grant Project Budget Ordinance shall be made available to the Finance Officer for direction in carrying out this project.

This Ordinance is approved and adopted this 26th day of February 2024.

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC
City Clerk



Kannapolis City Council

City Council Agenda Staff Report
February 26, 2024

To: Mayor and City Council
From: Heather James, Human Resources Director
Subject: **MOTION** - Adopt the amended Pay & Classification Plan

Action Requested by City Council

Motion to amend the pay and classification plan to include five new position titles.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

We recently added five new titles to the City's Pay and Classification Plan. These new titles encompass the relatively new positions at the Swanee Theatre and in the Human Resources Department. In Human Resources, the previous two positions were titled HR Analyst and were reclassified to HR Analyst I and Benefits Manager. The position of Risk Manager was reclassified to HR Analyst II. No new positions have been added, only changing of titles and pay grade.

The new titles and pay grades are as follows:

- Hospitality Assistant - Grade 60
- Hospitality Specialist - Grade 62
- Human Resources Analyst I - Grade 72
- Human Resources Analyst II - Grade 74
- Benefits Manager - Grade 75

Fiscal Implications

None.

Policy Issues

None.

Legal Issues

None.

Recommendations and Alternate Courses of Action

1. **Motion to approve the Pay and Classification Plan to include new position titles (Recommended).**
2. Defer action to a future meeting.
3. Take no action.

Attachments

1. 400.01 Classification Schedule - Effective 2024_02_09

CITY OF KANNAPOLIS
PAY & CLASSIFICATION PLAN
EFFECTIVE Feburary 26, 2024

Job Class Code	Budget Location	Job Classification	Grade	Developmental Range Minimum - Midpoint			
				Hiring Range		Midpoint to Maximum Merit Range	
				Minimum	15%	Midpoint	Maximum
			52	\$19,946	\$22,938	\$25,432	\$30,917
			53	\$20,944	\$24,085	\$26,703	\$32,462
			54	\$21,990	\$25,289	\$28,038	\$34,085
			55	\$23,093	\$26,557	\$29,443	\$35,794
			56	\$24,246	\$27,883	\$30,914	\$37,582
			57	\$25,457	\$29,276	\$32,458	\$39,459
1900	Parks & Recreation	Concession Worker	58	\$26,731	\$30,740	\$34,082	\$41,433
			59	\$28,067	\$32,277	\$35,785	\$43,503
1901	Parks & Recreation	Hospitality Assistant	60	\$29,470	\$33,891	\$37,574	\$45,679
1905	Parks & Recreation	Park Attendant					
			61	\$30,943	\$35,585	\$39,453	\$47,962
1918	Parks and Recreation	Hospitality Specialist	62	\$32,492	\$37,366	\$41,428	\$50,363
1915	Parks & Recreation	Park Operations Specialist					
not in use		Administrative Support Specialist	63	\$34,116	\$39,233	\$43,498	\$52,879
not in use	General Services	Building Maintenance Technician I	64	\$35,821	\$41,194	\$45,671	\$55,522
not in use	Street Maintenance Water & Sewer Distribution	Construction Maintenance Worker I					
not in use	Stormwater Water Treatment Plant						
1300	Customer Service	Customer Service Advocate					
1910	Parks & Recreation	Park Maintenance Technician I					
5215	General Services	Building Maintenance Technician II	65	\$37,612	\$43,254	\$47,956	\$58,299
1920	Parks & Recreation	Park Maintenance Technician II					
1310	Customer Service	Senior Customer Service Advocate					

Job Class				Developmental Range Minimum - Midpoint			
				Hiring Range		Midpoint to Maximum Merit Range	
				Minimum	15%	Midpoint	Maximum
5210	General Services	Building Maintenance Technician III	66	\$39,492	\$45,416	\$50,353	\$61,213
1405	Street Maintenance Water & Sewer Distribution Stormwater Water Treatment Plant	Construction Maintenance Worker II					
1330	Customer Service	Customer Care Representative					
1445	Water & Sewer Distribution	Meter Service Technician					
1925	Parks & Recreation	Park Maintenance Technician III					
1818	Police	Park Ranger					
1800	Police	Police Records Specialist					
1210	Finance	Accounting Technician I	67	\$41,468	\$47,688	\$52,871	\$64,275
5220	General Services	Building Maintenance Technician IV					
1926	Parks & Recreation	Park Maintenance Technician IV					
1010/1100	Fire Water & Sewer Distribution Parks & Recreation	Senior Administrative Support Specialist					
1450	Water & Sewer Distribution	Warehouse Assistant					
1952	Parks & Recreation	Assistant Athletics Coordinator	68	\$43,539	\$50,070	\$55,512	\$67,486
1934	Parks & Recreation	Concessions Manager					
1422	Storm Water Signs & Markings Water & Sewer Distribution Environmental Services Water Treatment Plant	Construction Maintenance Technician					
1408	Storm Water Water & Sewer Distribution Environmental Services	Heavy Equipment Operator					
1930	Water Resources	Lead Service Line Inventory Technician					
1810	Parks & Recreation	Recreation Program Assistant					
1320	Police	Telecommunicator					
1470/1471	Customer Service	Utility Billing Specialist					
	Water Treatment Plant	Water Treatment Plant Operator I					
1220	Finance	Accounting Technician II	69	\$45,719	\$52,577	\$58,292	\$70,864
1020	Police Fire Planning General Services City Attorney	Administrative Assistant					
1817	Police	Evidence/Property Control Technician					
1705/1700	Fire	Firefighter/ Firefighter P/T					
1423	Water & Sewer Distribution	Locator					
4025	Planning	Planning Technician					
1715	Fire	Quality Assurance Coordinator					
1340	Customer Service	Senior Utility Billing Specialist					
1460	Water Treatment Plant	Water Quality Technician					
1465	Water Treatment Plant	Water Treatment Plant Maintenance Worker					

Job Class				Developmental Range Minimum - Midpoint			
				Hiring Range		Midpoint to Maximum Merit Range	
				Minimum	15%	Midpoint	Maximum
4030 1110 1492 5400 1600 1935 1825 1815 1455 1475	Planning City Manager Engineering Parks & Recreation Human Resources Parks & Recreation Police Police Water & Sewer Distribution Water Treatment Plant	Code Enforcement Officer Communications Specialist Civil Engineer II Grounds Manager Human Resources Technician Park Manager I Police Officer Trainee Telecommunicator Shift Supervisor Warehouse Manager Water Treatment Plant Operator II	70	\$48,001	\$55,201	\$61,201	\$74,401
1349 1425/1426 1348 1720 1850 1820 1805 1840 1865	Customer Service Storm Water Signs and Markings Water & Sewer Distribution Water Treatment Plant Street Maintenance General Services Customer Service Fire Water Resources Police Police Police Police Police	Billing and Collections Manager Crew Chief Customer Service Manager Fire Engineer Lab Analyst Police Detective Police Officer Records Supervisor School Resource / DARE Officer Training Coordinator	71	\$50,403	\$57,963	\$64,264	\$78,124
1230 1490 1350 / 1741 1940 1255 1816	Finance Engineering Customer Service Fire Parks & Recreation Finance Police	Accountant Engineering Technician Office Manager Park Manager II Payroll Administrator Police Planner/Accreditation Manager	72	\$52,922	\$60,861	\$67,476	\$82,030
	Human Resources	Human Resources Analyst I					
1951 1430 1725 4020 1435 1950	Parks & Recreation Water & Sewer Distribution Street Maintenance Environmental Services Fire Planning Public Works Parks & Recreation	Athletic Program Coordinator Crew Supervisor Fire Inspector Planner Planner/Scheduler Recreation Programmer/Special Events Coordinator	73	\$55,570	\$63,905	\$70,852	\$86,133

Job Class				Developmental Range Minimum - Midpoint			
				Hiring Range		Midpoint to Maximum Merit Range	
				Minimum	15%	Midpoint	Maximum
1729 Not in use 1154 1498 4015 4031 1610	Fire City Manager City Manager / Fire Engineering Planning Planning Human Resources	Assistant Fire Marshal Communications Multimedia Specialist Community Engagement Specialist Engineer Technician II Gis Specialist Senior Code Enforcement Officer Human Resources Analyst II	74	\$58,347	\$67,099	\$74,393	\$90,438
1265 5200 1735 1731 1739 1260/1262 1860 1861	Finance General Services Fire Fire Fire Finance Police Police	Budget Analyst Facility Manager Fire Captain Fire Vehicle Mechanic Safety and Logistics Officer Senior Accountant / Sr Accountant P/T Sergeant Sergeant/Recruitment Officer	75	\$61,264	\$70,454	\$78,112	\$94,960
	Human Resources	Benefits Manager					
1480	Water Treatment Plant	Water Treatment Plant Supervisor					
1120 1491 1250 1615 6004	City Manager Engineering Finance Human Resources Information Technology	City Clerk Civil Engineer I Purchasing Agent Risk Manager Software Support Specialist	76	\$64,329	\$73,978	\$82,019	\$99,709
1130 6003 1494 4010	City Manager Information Technology Engineering Planning	Community Development Program Administrator Information Technology Analyst Senior Engineer Technician Senior Planner	77	\$67,545	\$77,677	\$86,119	\$104,694

Job Class				Developmental Range Minimum - Midpoint			
				Hiring Range		Midpoint to Maximum Merit Range	
				Minimum	15%	Midpoint	Maximum
1740 1738 1728 1495 1870 1811 1737 1485	Fire Fire Fire Environmental Services Storm Water Water & Sewer Distribution Street Maintenance Police Police Fire Water Treatment Plant	Battalion Chief Health and Wellness Manager Fire Marshal Operations Manager Police Lieutenant Telecommunications Center Manager Training Manager Water Treatment Plant Manager	78	\$70,922	\$81,560	\$90,425	\$109,928
6002 1953 1954	Information Technology Parks & Recreation Parks & Recreation	Network Administrator Recreation Superintendent Parks & Recreation Superintendent	79	\$74,469	\$85,639	\$94,947	\$115,427
1619 1140	Human Resources Customer Service	Assistant Human Resources Director Director of Customer Service	80	\$78,190	\$89,919	\$99,693	\$121,195
1754 4005 1155 1270 1880	Fire Planning City Manager Finance Police	Assistant Fire Chief Assistant Planning Director Communications and Marketing Director Deputy Finance Director Police Captain	81	\$82,101	\$94,416	\$104,680	\$127,258
1161 1492 6001	City Manager Engineering Information Technology	Assistant to the City Manager Civil Engineer II Senior Network Administrator	82	\$86,207	\$99,138	\$109,913	\$133,620
5000	General Services	General Services Director	83	\$90,515	\$104,093	\$115,407	\$140,298

Job Class				Developmental Range Minimum - Midpoint			
				Hiring Range		Midpoint to Maximum Merit Range	
				Minimum	15%	Midpoint	Maximum
1497	Engineering	Assistant Director of Engineering	84	\$95,042	\$109,298	\$121,178	\$147,315
1885	Police	Deputy Chief of Police					
1755	Fire	Deputy Fire Chief					
1150	City Manager	Director of Economic & Community Development					
1620	Human Resources	Human Resources Director					
1955	Parks & Recreation	Parks & Recreation & Recreation Director					
1501	Storm Water	Director of Transportation and Environmental Services	85	\$99,794	\$114,763	\$127,237	\$154,680
1502	Water Treatment Plant	Director of Water Resources					
4000	Planning	Planning Director					
1280	Finance	Finance Director	86	\$104,783	\$120,501	\$133,598	\$162,415
6000	Information Technology	Information Technology Director					
1496	Public Works	Director of Engineering	87	\$110,025	\$126,529	\$140,281	\$170,538
1890	Police	Chief of Police	88	\$115,524	\$132,853	\$147,293	\$179,062
1760	Fire	Fire Chief					
			89	\$121,301	\$139,496	\$154,659	\$188,017
1162	City Manager	Assistant City Manager	90	\$127,367	\$146,472	\$162,392	\$197,418
			91	\$133,734	\$153,794	\$170,510	\$207,287
			92	\$140,421	\$161,484	\$179,036	\$217,652
1160	City Manager	Deputy City Manager	93	\$147,441	\$169,557	\$187,988	\$228,534

Not Assigned to a Pay Grade

Administrative Intern - Flat rate position
City Attorney
City Manager
Finance Management Fellowship - Flat rate position

Junior Attorney
Reserve Police Officer - Flat rate position
Santa - Flat Rate position



Kannapolis City Council

City Council Agenda Staff Report
February 26, 2024

To: Mayor and City Council

From: Alex Anderson, Director of Water Resources, Kristin Jones, Assistant to the City Manager

Subject: **MOTION** - Award bid to Harper General Contracts for the Clearwell #1 and #2 Rehabilitation

Action Requested by City Council

Award bid to Harper General Contractors for the Clearwell #1 and #2 Rehabilitation.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

Bids were received on the Clearwell rehabilitation project at the water treatment plant. This project will include rehabilitation of the roof, electrical and SCADA system. This project is necessary to be in compliance with the City's finished water storage.

Overall bid prices are listed below for reference.

Contractor	Base Bid
Harper General Contractor	\$1,325,000
Laughlin-Sutton Construction Company	\$1,550,400
M. B. Kahn Construction Company, Inc	\$1,767,565

Fiscal Implications

City Council has already approved funding for this project so a budget amendment is not needed.

Policy Issues

None.

Legal Issues

None.

Recommendations and Alternate Courses of Action

- 1. Motion to award bid to Harpers General Contractors for the Clearwell #1 and #2 Rehabilitation project and authorize the City Manager to execute the contract (Recommended)**
2. Table to a future meeting.
3. Take no action.

Attachments

1. Engineer's Recommendation to Award - WTP Clearwell 1 and 2 Rehab



Engineering
Landscape Architecture
Surveying

January 31, 2024

Mr. Alex Anderson
The City of Kannapolis
401 Laureate Way
Kannapolis, NC 28081

Re: Water Treatment Plant Clearwells 1 and 2 Rehabilitation
Recommendation to Award

Dear Mr. Anderson:

Bids were received for the above-referenced project on Thursday, January 25th, 2024. The project includes a new THM removal system in Clearwell #2, new TPO membrane roof system for Clearwell #1 and #2, new handrails around the perimeter of both clearwells, replacement of roof vents, and necessary electrical and control systems.

Three bids were accepted as summarized in the table below.

CONTRACTOR	LOCATION	Base Bid
Harper General Contractors	Greenville, SC	\$1,325,000.00
Laughlin-Sutton Construction Company	Greensboro, NC	\$1,550,400.00
M.B. Kahn Construction Co., Inc.	Columbia, SC	\$1,767,565.00

The low bidder is Harper General Contractors from Greenville, SC. Both LKC and Kannapolis are familiar with Harper. Harper built the water booster pump station on Shiloh Church Road that serves the Northwest Service District. The LKC team met with representatives of Harper General Contractors on January 30th to discuss the details of their bid and their plan for a successful project. We are comfortable Harper has a thorough understanding of your and our expectations for the project. If the City's decision is to award the project on the Base Bid, LKC recommends the award be made to Harper General Contractors for the low Base Bid of \$1,325,000.00.

Attached to this recommendation is a Bid Tabulation showing detailed results of the bid. If you have any questions, please do not hesitate to contact us at (910) 420-1437 or by email at adam@LKCEngineering.com.

Sincerely,
LKC Engineering, PLLC

Adam P. Kiker, P.E.



Kannapolis City Council

City Council Agenda Staff Report
February 26, 2024

To: Mayor and City Council
From: Mike Legg, City Manager
Subject: **MOTION** - Approve the City of Kannapolis 2024 Federal Action Plan

Action Requested by City Council

Motion to approve the City of Kannapolis 2024 Federal Action Plan

Required Votes to Pass Required Action

Majority Present at Meeting

Background

The development of a Federal Action Plan (FAP) for 2024 (FY 25) is a key task for staff and our federal consulting firm Strategics Consulting. Included with this staff report is a list of legislative priorities, funding needs and positions for the upcoming federal fiscal year. The FAP will serve as a simple guide for the City's pursuit of federal grants. The FAP will also be the source for submitting one or more Congressionally Designated Fund ("earmark") applications. This list will also be provided to the City's Congressional delegation during the upcoming National League of Cities Conference in Washington DC.

Attached is the recommended FAP for City Council consideration.

Fiscal Implications

None.

Policy Issues

None.

Legal Issues

None.

Recommendations and Alternate Courses of Action

1. **Motion to approve the City of Kannapolis 2024 Federal Action Plan (recommended).**
2. Table the action to a future meeting.
3. Take no action.

Attachments

1. 2024 Kannapolis Federal Action Plan (FY25) FINAL



2024 (FY25) FEDERAL ACTION PLAN

ISSUE	PRIORITIES
PUBLIC SAFETY & SECURITY & HEALTH	- Public Safety and Fire Station Improvements (including the Western Cabarrus Communications Tower, Western Cabarrus Fire Station, Eastside Fire Station, Public Safety Training Center, and Fire Department Training Tower). - Support for Homelessness, Transitional/Affordable Housing Programs. - Support for Brownfields program, including Assessments and Improvements (such as remaining former Cannon Mills industrial properties). - Innovative Police and Fire Response Programs (such as Auxilliary Officers, Emergency Adaptive Response Teams, Park Rangers, and Mental Health First Responders).
PUBLIC INFRASTRUCTURE	- Kannapolis Lake Dam Repairs and Spillway Replacement. - Public Works Improvements (such as Public Works Operation Center Renovations, Water Treatment Plant Rehabilitation and Expansion, Water Main and Water Hydrant Replacement, Wastewater Treatment Plant Expansion). - Development and Implementation of a Stormwater Master Plan. - Removal of structures in the FEMA designated floodplains (such as in the Rose Hill community).
TRANSPORTATION	- Expansion of Amtrak Service, Kannapolis-Charlotte Commuter Rail and Railroad Fencing Improvements. - Road and Intersection Improvements (such as Northern Extension of Kannapolis Parkway, China Grove Rd/Ebenezer Rd, Mt. Olivet Rd/South Cannon Blvd, Rogers Lake Rd widening, N. Loop Rd safety project). - Support for Road Safety Improvements and Street Lighting Enhancements (such as MLK Blvd Pedestrian Bridge, Cannon Blvd Corridor Plan, Safe Streets for all Action Plan, and Lighting of Kannapolis Parkway and NC Highway 3).
QUALITY OF LIFE	- Continued Downtown Revitalization – expanding to the adjacent Midway and North Kannapolis areas. - Support for the future stability of the North Carolina Research Campus. - Park, Sidewalk and Greenway Improvements (such as Eastside and Westside parks, Midlake & Oakwood sidewalks and Irish Buffalo Creek and Rocky River greenway extensions). - Preservation of the historic Gem and Swanee theatres.



Kannapolis City Council

City Council Agenda Staff Report
February 26, 2024

To: Mayor and City Council

From: Irene Sacks, Director of Economic & Community Development, Walter Safrit, City Attorney

Subject: **RESOLUTION** - Approving Sale of property at 409 & 413 N. Cannon Blvd.

Action Requested by City Council

Motion to approve the resolution formally accepting the high bid offer of \$475,000 to purchase City owned property at 409 & 413 N. Cannon Blvd. and authorizing the City Manager to negotiate and execute the Purchase and Sale Agreement and other documents required to complete the sale and conveyance of the property.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

The City of Kannapolis owns the College Station Shopping Center on N. Cannon Blvd. The property includes three outparcels that have been listed for sale. The City has received an offer to purchase two of these outparcels facing Cannon Blvd, totaling about 1.2 acres. The use would be for a Zaxby's fast food restaurant. At the January 22nd meeting, City Council authorized the start of the upset bid process for the sale of these properties. The bid was advertised for 10 days and no upset bids were received by February 5, making the original offer the highest one. City Council can now decide to accept the original offer to sell the parcels.

Fiscal Implications

The purchase offer is \$475,000. The tax value of the property is \$321,480.

Policy Issues

None

Legal Issues

None

Recommendations and Alternate Courses of Action

1. Approve the resolution formally accepting the high bid offer of \$475,000 to purchase City owned property at 409 & 413 N. Cannon Blvd. and authorizing the City Manager to negotiate and execute the Purchase and Sale Agreement and other documents required to complete the sale and conveyance of the property (Recommended).
2. Do not approve the resolution to sell the property.

Attachments

1. Resolution Formally Accepting Offer to Purchase Property

Resolution # _____

**CITY OF KANNAPOLIS
RESOLUTION FORMALLY ACCEPTING OFFER TO PURCHASE PROPERTY
IN ACCORDANCE WITH NCGS 160A-269**

WHEREAS, the City of Kannapolis is the owner of property located at 409 & 413 N. Cannon Boulevard, Kannapolis, North Carolina 28083 (Tax ID# 5624-00-9853) hereinafter the “Property”; and

WHEREAS, following advertisement for a series of upset bids in accordance with NCGS §160A-269, the City timely received a final upset bid in the amount of \$475,000.00 on February 5, 2024 and the upset bidder made a deposit with the City of \$23,750.00 and no further upset bids were made or received; and

WHEREAS, this Council is of the opinion that it is in the best interests of the citizens and residents of the City to formally accept the offer of \$475,000.00 and sell this Property in the manner prescribed by NCGS §160A-269.

NOW, THEREFORE, BE IT RESOLVED by the City Council for the City of Kannapolis as follows:

1. That this Council does hereby formally accept the offer of \$475,000.00 to purchase the Property for a purchase price in the amount of \$475,000.00 subject to negotiations of a Purchase and Sale Agreement.
2. That the City Manager, is hereby authorized, empowered and directed to negotiate and execute a Purchase and Sale Agreement and do any and all other acts and to execute any and all other documents, which he in his discretion, deems necessary and appropriate in order to complete this sales transaction in accordance with NCGS §160A-269 and this Resolution.
3. That all acts and doings of officers, employees and agents of the City, whether taken prior to, on, or after the date of this Resolution, that are in conformity with and in the furtherance of the purposes and intents of this Resolution as described above shall be, and the same hereby are, in all respects ratified, approved and confirmed.
4. That this Resolution shall be effective upon its adoption.

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC
City Clerk



Kannapolis City Council

City Council Agenda Staff Report
February 26, 2024

To: Mayor and City Council
From: Walter Safrit, City Attorney
Subject: **RESOLUTION** - Approving sole source repairs to West Avenue traffic circle signage and authorize City Manager to execute a purchase order.

Action Requested by City Council

Resolution approving sole source repairs to West Avenue traffic circle signage and authorize the City Manager to execute a purchase order for repairs and fabrication of stainless-steel letters and support system.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

The existing stainless-steel lettering and unground support system was damaged beyond repair by a truck too large to navigate the traffic circle. Upon site visits and discussions with City Staff, Bizzell Design has developed a scope of work to demo the underground structure and re-build the West Avenue iconic identity marker.

Fiscal Implications

The damage was reimbursed by the motor vehicle insurer following claim submitted by City.

Policy Issues

None

Legal Issues

None

Recommendations and Alternate Courses of Action

1. **Motion to approve the Sole Source Resolution for repair of stainless-steel letters and underground support system for the West Avenue traffic circle signage. (Recommended)**
2. **Motion to authorize the City Manager to execute a purchase order for repairs and fabrication of stainless-steel letters and support system for West Avenue traffic circle signage. (Recommended)**
3. Do not approve Resolutions

Attachments

1. Resolution - Authorizing City To Enter Into Sole Source Purchase Order with Bizzell Design
2. Purchase Order Proposal Contract Invoice (Bizzell Design)

**RESOLUTION AUTHORIZING THE CITY TO ENTER INTO
SOLE SOURCE PURCHASE ORDER**

WHEREAS, the Finance Department is seeking to have the City execute a purchase order authorized for the repair and refurbishment of West Avenue traffic circle sign. The total cost for the repair and refurbishment is \$105,710.96 (the “Product”); and

WHEREAS, the previous artist-vendor, Bizzell Design is the sole source of a compatible Product. Therefore this purchase is in accordance with the provisions of the North Carolina General Statutes §143-129(e)(6) as a sole-source exception to the competitive requirements of the statute.

THEREFORE, BE IT RESOLVED:

THAT, Bizzell Design is the sole artist-vendor for the sole source Product desired. Therefore, this purchase is in accordance with the provisions of N.C.G.S. 143-129(e)(6) as a sole source exception; and

THAT, the City Manager is authorized to enter into the attached Purchase Order for the Product from Bizzell Design.

Adopted this the 26th day of February, 2024.

Milton D. Hinnant
Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC
City Clerk

ProposalContract
Invoice
013124

January 31, 2024

Annette Privette-Keller
Communications Director
City of Kannapolis
P.O. Box 1199
Kannapolis, NC 28082-1199



BIZZELLDISIGN
WAYFINDING PROGRAMS
BRAND / IDENTITY
URBAN IDEAS

Kannapolis West Avenue Traffic Circle Stainless Steel Lettering/ Installation

Overview: The existing stainless Steel lettering and unground support system was damaged beyond repair by a truck too large to navigate the traffic circle. Upon site visits and discussions with KNP staff we have developed a scope of work to demo the underground structure and re-build the West Avenue Iconic Identity.

Fabrication Details: Based on the attached drawings,
Dimensional Letters - Two sets at 26" high: WEST AVENUE 6" deep Alloy 316 SS #4 Satin face and returns.

Custom Parts:
Steel Support Plates and Vertical Tubular Supports (QTY 2) 1/2" Steel Plate 12" wide w/ 2x2 Vertical Supports 1/4" Wall w 1/4" Mounting Plates Entire Assembly

Custom Work:
Structural Bracing (Inside Of Letters) welded to plate to provide maximum letter stability. Structure through bolts to pedestal plates under each letter.

Custom Work/Labor:
Concrete back fill around plate, unfinished concrete pad to cover and secure plates.

Install/NC
Installation of Both Sets of Dimensional Letters and Sculptural Swirls

Fabrication	\$88,765.00
Installation*	\$9800.00
NC Sales Tax (Reimbursible)	\$7145.96
Project Total	\$105,710.96

 **Please Pay a production Deposit of \$52,855.48**



Note* The installation costs may vary based on the final site conditions after public Works repairs the site and removes the landscape mound to expose the slab.



Kannapolis City Council

City Council Agenda Staff Report
February 26, 2024

To: Mayor and City Council
From: Richard Smith, Planning Director
Subject: **PUBLIC HEARING - DA (2024-01)** - McDonalds, LLC and MPV Kellswater LLC (Kellswater Commons) - Conduct a Public Hearing and approve a Resolution approving the Ordinance for the execution of the Development Agreement.

Action Requested by City Council

1. Conduct a Public Hearing.
2. Motion to approve the Resolution adopting the Ordinance approving the execution of the Development Agreement

Required Votes to Pass Required Action

Majority Present at Meeting

Background

On December 12, 2021, City Council adopted a Wastewater Allocation Policy to "provide for the judicious allocation" of the City's limited wastewater treatment capacity. To do so, City Council adopted a fair and reasonable method for strategic allocation of this resource among qualifying public and private land development interests. The allocation process is administered by issuing permits to projects which meet specified City interests and goals. In the case of private commercial and residential permit recipients, it has become clear that once a permit is awarded, it is necessary to require the developer to guarantee completion of the project, as presented, within a specified time period. In the event of failure to meet these requirements, the allocation could be rescinded and awarded to another qualified party.

The method of acquiring that contractual guarantee would be accomplished by a Development Agreement, a form of which is presented to City Council at its meeting for consideration, public comment, and approval. The project for consideration of the above-described development agreement is a 1.598 +/- acre parcel, further identified as Cabarrus County Parcel Identification Number 56023847880000, and is a proposed single tenant restaurant facility located at or near Kannapolis Parkway and Rogers Lake Road. The development agreement with McDonald's, LLC and MPV Kellswater, LLC., calls for the development of a McDonald's restaurant.

Fiscal Implications

This project is located in an area with existing infrastructure in place.

Policy Issues

A Development Agreement adopted by Ordinance is required for all projects receiving a Wastewater Allocation Permit pursuant to the City Wastewater Allocation Policy.

Legal Issues

A Development Agreement adopted by Ordinance is required for all projects receiving a Wastewater Allocation Permit pursuant to the City Wastewater Allocation Policy.

Recommendations and Alternate Courses of Action

1. **Motion to approve the Resolution approving the Ordinance (Recommended).**
2. Amend and then approve the Resolution.
3. Table action to a future meeting.
4. Take no action.

Attachments

1. Development Agreement Signed 2.19.2024
2. Ordinance Adopting Development Agreement between City and CP Kannapolis Investments LLC
3. Public Notice Ad
4. Resolution Dev Ag McDonalds at Kellswater LLC

WASTEWATER ALLOCATION

DEVELOPMENT AGREEMENT

BY AND AMONG

THE CITY OF KANNAPOLIS, NORTH CAROLINA,

**MCDONALDS USA, LLC,
A DELAWARE LIMITED LIABILITY COMPANY**

AND

**MPV KELLSWATER, LLC
A NORTH CAROLINA LIMITED LIABILITY COMPANY**

February _____, 2024

(Outparcel 10, Kellswater Commons)

WASTEWATER ALLOCATION

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (together with the Exhibits attached hereto, (the “Agreement”) is entered into effective as of the ____ day of February, 2024 (the “Effective Date”), by and among the City of Kannapolis, a municipal corporation of the State of North Carolina (the “City”), McDonald’s USA, LLC, a Delaware Limited Liability Company (the “Developer”) and Kellswater, LLC, a North Carolina limited liability company (with its successors in interest, (the “Owner”). The Project will be known as Outparcel 10 of Kellswater Commons. The City, Developer, and the Owner are sometimes separately referred to in this Agreement as a “Party” or jointly referred to as the “Parties”.

LEGAL FRAMEWORK

The North Carolina General Statutes (“N.C.G.S.” §160D-1001 through §160D-1012), as they exist on the Effective Date of this Agreement (the “Development Agreement Act”), enable cities to enter into binding development agreements with entities intending to develop real property under certain conditions set forth in the Development Agreement Act.

N.C.G.S. 160D-1001(a)(1) provides that “Development projects often occur in multiple phases over several years, requiring a long-term commitment of both public and private resources.”

N.C.G.S. 160D-1001(a)(3) provides that “Because of their scale and duration, such projects often require careful coordination of public capital facilities planning, financing, and construction schedules and phasing of the private development.”

N.C.G.S. 160D-1001(a)(4) provides that “Such projects involve substantial commitments of private capital, which developers are usually unwilling to risk without sufficient assurances that development standards will remain stable through the extended period of development.”

N.C.G.S. 160D-1001(a)(5) provides that “Such developments often permit communities and developers to experiment with different or nontraditional types of development concepts and standards, while still managing impacts on the surrounding areas.”

N.C.G.S. 160D-1001(a)(6) provides that “To better structure and manage development approvals for such developments and ensure their proper integration into local capital facilities programs, local governments need flexibility to negotiate such developments.”

In view of the foregoing, N.C.G.S. §160D-1001 through §160D-1012 expressly authorize local governments and agencies to enter into development agreements with developers pursuant to the procedures and requirements of N.C.G.S. 160D-1001 through 1012, which procedures and requirements include approval of the development agreement by the governing body of the local government by ordinance after a duly noticed public hearing.

N.C.G.S. 160D-1004 provides that “a local government may enter into a development agreement with a developer for the development of property as provided in this Article for developable property of any size,” and that “development agreements shall be of a reasonable term specified in the agreement.”

In addition to any force of law conferred upon this Agreement by North Carolina law related to local governments, the terms of this Agreement are also contractual in nature, are a significant inducement and consideration to enter into this Agreement and may be enforced as contractual terms.

The City's Development Ordinance (the "KDO") or the Unified Development Ordinance ("UDO") if in effect upon the Effective Date and /or the City Wastewater Allocation Policy authorize the use of development agreements and provides additional requirements for such agreements.

RECITALS

- A. Developer and the City desire to enter into this Agreement for the development of certain real property containing approximately 1.598 acres and consisting of one (1) parcel denoted by Cabarrus County parcel ID(s) 56023847880000 (hereinafter referred to as the "Property") and more particularly described and depicted on Exhibit B attached hereto.
- B. Developer is a tenant under a long-term ground lease for the Property with Owner as Landlord. Owner hereby consents to Developer's entry into this Agreement with respect to the Property and hereby agrees that the terms, conditions, and covenants set forth in this Agreement shall be construed as covenant running with the land encumbering the Property in accordance with Section 5 of this Agreement.
- C. The purpose of this Agreement is to facilitate the Development (as defined herein) of the Property in a way that best realizes the benefits to the Parties. The Development of the Property requires a major investment by the Developer and substantial commitment of resources to achieve the benefits of the Development for the Parties. The Developer will be unable to make and realize the benefits from such commitments without the assurances of the City as provided by this Agreement.
- D. The Development of the Property is consistent with the City's ordinances and is reasonable and in the public interest for the following reasons, each of which serve as a benefit to the City:
 - 1. Furthering the goals of securing an appropriate use and density on the Property and implementation of the Development Plan (as defined below); and
 - 2. Provision of an efficient, effective, and practical overall plan for addressing the Development of the Property.
- E. The general benefits to be received by the Developer from the Development of the Property include, without limitation:
 - 1. Development rights for a single tenant restaurant facility per plan.
 - 2. Issuance of a Sewer Allocation Permit as set out in Paragraph 9 of this Agreement.
- F. The general benefits to be received by the City from the Development of the Property include, without limitation:
 - 1. A design specific single tenant restaurant facility; and
 - 2. Construction by Developer of public infrastructure as described in Exhibit D; and
 - 3. Development of the Property in accordance with the City's Comprehensive Plan.
- G. Pursuant to N.C.G.S. 160D-1005, a public hearing regarding this Agreement was held at the February 26, 2024, meeting of the Kannapolis City Council. The notice of public hearing specified, among other things, the location of the Property subject to this Agreement, the

development uses proposed on the Property in accordance with the Development Plan, and a place where a copy of the proposed Agreement could be obtained. The Agreement was available for public inspection on the City’s website and at City Hall.

- H. The City Council adopted one or more of the following at its meeting, as applicable, on January 22, 2024, (a) an annexation ordinance; (b) a consistency statement pursuant to N.C. Gen. Stat. § 160A-383; (c) a zoning map change and (d) an ordinance approving this Agreement (“Ordinance”). A copy of the Ordinance is attached hereto as Exhibit A.

NOW, THEREFORE, in consideration of the premises of this Agreement and the mutual benefits to the Parties, the Parties agree as follows:

- 1) The Property. The Property to be developed pursuant to this Agreement is described and depicted on Exhibit B attached hereto.
- 2) Definitions. Capitalized terms in the Agreement shall have the meanings assigned to them below or elsewhere herein:
 - a) “Applicable Law” means all federal, state, and local statutes, ordinances, regulations, and requirements governing the Project, including, without limitation, the Current Regulations.
 - b) “Current Regulations” means all ordinances, resolutions, regulations, and comprehensive plans adopted by the City on or before the Effective Date affecting the Development of the Property and includes, without limitation, laws governing permitted uses of the Property, density, design, and improvements, subject to Section 6 below.
 - c) “Development” shall have the same meaning as it does in KDO Article 10 *Definitions* or UDO Appendix A *Definitions*.
 - d) “Zoning Permit” or “Development Permit” means any building permit, site plan approval, subdivision approval, rezoning certification, variance, certificate of occupancy and any other official action of Local Government having the effect of permitting the Development for the use of the Property contemplated in this Agreement.
 - e) “Development Plan” means a type of plan that becomes part of the zoning of a property that establishes the level of development allowed absent further zoning action except as otherwise allowed or required under this Agreement, and which is incorporated into the coordinated Design Plan coordinated with City Staff, and as set forth on Exhibit C attached hereto.
 - f) “Development Schedule” means the schedule for development as shown in Exhibit D.
 - g) “Infrastructure” means major capital or community developments including, but not limited to, transportation, sanitary sewer, solid waste, drainage, and potable water.
 - h) “Local Government” means any municipality or governmental entity of the State of North Carolina established pursuant to Applicable Law which exercises regulatory authority over, and grants Development Permits for land Development or which provides public Infrastructure.
 - i) “Parcel” means any lot of record on which Development may occur in accordance with the Development Plan.

- j) “Project” means the Development that will occur within and upon the Property pursuant to this Agreement and in accordance with the Development Plan.
 - k) “Property Owner” means (i) any person or entity, other than the City, which shall have acquired any portion of the fee interest in the Property from and after the Effective Date, and (ii) any successor in interest to such person or entity.
- 3) Relationship of the Parties. This Agreement creates a contractual relationship between the Parties. This Agreement shall not be interpreted or construed to create the relationship of master/servant, principal/agent, association, partnership, joint venture, or any other relationship where one Party may be held responsible for acts of the other Party. This Agreement does not impose any partnership obligation or liability upon either Party. Further, this Agreement is not intended to create, nor does it create, a relationship whereby the conduct of Developer constitutes “state action” for any purposes.
 - 4) Legislative Act. Any change in the Development Standards established by this Agreement and as set forth on Exhibit C, shall require the approval of City Council, subject to compliance with applicable statutory procedures and consistent with Section 6(a). This Agreement constitutes a legislative act of City Council. City Council adopted this Agreement only after following procedures required by Applicable Law.
 - 5) Covenants Running with the Property. The conditions, covenants, and benefits set forth in this Agreement shall run with the Property, and every purchaser, assignee or transferee of an interest in the Property or any portion thereof, shall be obligated and bound by the terms and conditions of this Agreement, and shall be entitled to the benefits of this Agreement for a duration of five (5) years in accordance with the terms of this Agreement. In addition, even after the term of this Agreement shall have expired, the zoning for the Property as described in the Development Plan shall survive and shall apply to future development of the Property, unless the Property is subsequently rezoned.
 - 6) Applicable Regulations.
 - a) Applicable Law and Development Standards. Except as otherwise provided by this Agreement and in accordance with N.C.G.S. § 160D-1007, Development of the Property, including, without limitation, approval procedures and impact fees applicable thereto, shall be in conformance with the Current Regulations and all other Applicable Law.
 - b) Vested Rights. Pursuant to the authority granted therefor in N.C.G.S. § 160D-1001 through 1012 and subject to the provisions of subparagraph (a) above, all rights and prerogative accorded the Developer by this Agreement, including, without limitation, application of the Current Regulations, shall constitute vested rights for the Development of the Property throughout the term of this Agreement.
 - c) Building Codes and Laws Other Than Land Use Regulations. Developer, notwithstanding any provision which may be construed to the contrary in this Agreement, must comply with any building, housing, electrical, mechanical, plumbing and gas codes subsequently adopted by the City or other governmental entity. This Agreement shall not be construed to supersede or contravene the requirements of any building, housing, electrical,

mechanical, plumbing and gas codes subsequently adopted by the City or other governmental entity.

- d) Updates to City Ordinances. Where any City ordinance, fee structure, resolution, or regulation adopted after the date hereof (a “New Ordinance”), differs from the Current Regulations, Developer may, at any time after adoption of such New Ordinance, request that such New Ordinance, or any portion thereof, be incorporated into the Current Regulations. The Parties recognize that this section shall not apply to any commitments reflected in the Development Plan or this Agreement. Developer shall submit such request in writing to the City, and the City shall review and respond to such request within sixty (60) days. Incorporation of a New Ordinance, or any portion thereof, into the Current Regulations shall be a non-material change to the Agreement.
- 7) Local Development Permits and Other Permits Needed. The Parties anticipate that the following local Development Permits and other regulatory permits will be needed to complete the Development of the Project: Site Plan approval, plat approvals (preliminary or final), street, water, sewer and stormwater construction drawing approval, building permits, certificate of compliance, city water and sewer permits, and stormwater control measure agreements. The failure of this Agreement to address a particular permit, condition, term, or restriction does not relieve the Developer of the necessity of complying with all laws governing permit requirements, conditions, terms, or restrictions.
- 8) Project Development.
 - a) Project Development. Developer shall construct the Project substantially in accordance with the provisions of Exhibit C (Development Plan) attached hereto and this Agreement.
 - (i) Material Changes. Material changes to the Development Plan or the Development Agreement, which is incorporated into the Development Plan as a text commitment, shall be considered in accordance with the procedures set forth in the KDO/UDO and State law.
- 9) City Obligations.
 - a) Developer is seeking the annexation (already lies within municipal limits), where applicable, of the Property, approval of Zoning Map Change Case Number (N/A) and this Development Agreement.
 - b) Developer only agrees to the terms of this Agreement if the annexation, where applicable, and Zoning Map Change Case are approved.
 - c) In accordance with the City Wastewater Allocation Policy, Developer shall be issued an Allocation Permit to supply public water and sewer treatment for the Project as provided therein. Developer acknowledges that any subsequent Allocation Permit(s) will be issued upon the Water and Sewer Authority for Cabarrus County’s (“WSACC”) completion of the first phase of the expansion project to the Rocky River Regional Wastewater Plant (“RRRWWTP”). Although WSACC’s construction of the first phase of expansion of the RRRWWTP has already commenced, the outside completion date of December 2024, is based upon information, projections and estimates available to City on the date of this Agreement.

10) Other Approvals. To the extent that any county or other Local Government, state or federal approvals are required in connection with the Development of the Project, the City shall use reasonable efforts to assist Developer in obtaining such approvals.

11) Developer Obligations.

- a) Developer shall develop the Property in accordance with the Development Plan, Development Schedule, and Matrix application.
- b) Developer will dedicate public utilities and facilities to City as required by Ordinance.

12) Default.

- a) Developer Default. Developer must initiate construction of the Project on or before 480 days following issuance of the Allocation Permit (i.e., Council Approval) if no extension of utilities is required. In the event the extension of utilities is required, construction of the Project must be initiated on or before 480 days after issuance of the NC Department of Environmental Quality Wastewater Collection System Extension Permit. If the developer fails to make continuous progress in the period following submission of construction plans for review and issuance of the NC Department of Environmental Quality Wastewater Collection System Extension Permit the projects sewer allocation may be revoked in the discretion of the City as a material default under this Agreement. This requirement applies to construction for each phase of the Project for which an Allocation Permit is issued. If the Developer commits a material breach of the terms or conditions of this Agreement, City shall serve notice in writing upon the Developer setting forth with reasonable particularity the nature of the breach and the evidence supporting the finding and determination, and the Developer shall have sixty (60) days to cure such breach, provided that if such breach cannot be cured within sixty (60) days using commercially reasonable efforts, the Developer shall be permitted such time as reasonably necessary to effect such cure so long as the Developer shall use commercially reasonable efforts to diligently prosecute such cure. The City shall send a copy of each notice sent to the Developer pursuant to this Section 12(a) to Owner.
- b) City Default. If the City commits a material breach of the terms or conditions of this Agreement, Developer shall serve notice in writing upon the City setting forth with reasonable particularity the nature of the breach and the evidence supporting the finding and determination, and the City shall have sixty (60) days to cure such breach, provided that if such breach cannot be cured within sixty (60) days using commercially reasonable efforts, the City shall be permitted such time as reasonably necessary to effect such cure so long as the City shall use commercially reasonable efforts to diligently prosecute such cure.

13) Remedies.

- a) City Remedies for Developer Default. In the event of a Developer material breach of this Agreement and Developer, or Owner on behalf of Developer, fails to cure such breach within the above-described 60-day period following notice period, City may exercise any or all of the following remedies (subject to Developer's right of appeal to the Board of Adjustment):
 - i) Refuse to issue certificates of compliance for the Development Project.
 - ii) Rescind any sewer allocation permit.
 - iii) Terminate this Agreement.

- b) Developer Remedies. If the City fails to cure any material breach within a 60-day period following notice, then such breach shall be a “City Default” hereunder, and Developer may be entitled to reimbursement of actual damages suffered by Developer to the extent such amounts have been reasonably documented and such documentation delivered to the City.

14) General Provisions.

- a) Term. The term of this Agreement shall commence only upon the full execution of this Agreement. This Agreement shall terminate five (5) years thereafter (the end of the term of this Agreement, as may be extended from time to time by the Parties or earlier terminated in accordance with the provisions of this Agreement, the “Termination Date”).
- b) Amendment. As required by N.C.G.S. § 160D-1006(e), and except as otherwise expressly provided herein, major modifications or significant changes to this Agreement shall follow the same notice, public hearing, and approval procedures as were followed initially when the Parties formed this Agreement. A major modification or significant change of this agreement shall include any change not agreed to by all Parties hereto. Except as otherwise set forth herein, this Agreement may be amended only by written mutual consent of the Parties or by their successors in interest. Wherever said consent or approval is required, the same shall not be unreasonably withheld. In the event state or federal laws or regulations prevent or preclude compliance with one or more provisions of this Agreement, the pertinent provisions of this Agreement shall be modified or suspended as may be necessary to comply with the state or federal laws or regulations. In such event, compliance with all other provisions of this Agreement shall remain unaffected and unmodified.
- c) Severability. If any word, phrase, sentence, paragraph or provision of this Agreement shall be finally adjudicated to be invalid, void, or illegal, it shall be deleted and in no way affect, impair, or invalidate any other provision hereof.
- d) Merger. This Agreement, coupled with its Exhibits, which are incorporated herein by reference, state the final and complete expression of the Parties’ intentions with respect to the subject matter hereof.
- e) Further Assurances. The Parties hereto shall cooperate with each other to effectuate the provisions of this Agreement and to act reasonably and expeditiously in all obligations under the Agreement. In the event of any legal action instituted by a third Party or other governmental entity or official challenging the validity of any provision of this Agreement, the Parties shall cooperate in defending such action.
- f) Governing Law and Venue. This Agreement shall be construed and enforced in accordance with the substantive laws of the State of North Carolina, without regard to principles of conflicts of laws. The only proper venue and court for litigation related to, arising out of, or connected with this Agreement or the relationships between the Parties established by this Agreement shall be Cabarrus County Superior Court.
- g) Successors in Interest and Recordation. The burdens of this Agreement are binding upon, and the benefits of this Agreement shall inure to, all assignees or successors in interest of the Parties to this Agreement. The term “Developer” as used herein, shall denote (i) the named Developer herein, and (ii) any successor of Developer hereunder. This Agreement shall be recorded against the Property by Developer within fourteen (14) days after the execution of the Agreement by the Parties. The rights and obligations of Developer contained herein shall run with the land.

- h) Third Parties. Notwithstanding any provision herein to the contrary, this Agreement shall not be binding and shall have no force or effect as to persons or entities not Parties or successors and assigns to this Agreement.
- i) Estoppel. Each Party agrees, from time to time, within thirty (30) days after request of another Party, to deliver to the requesting Party or such Party's designee, an estoppel certificate stating that this Agreement is in full force and effect, the unexpired term of this Agreement, and whether or not, to such Party's knowledge, there are any existing defaults or matter which, with the passage of time, would become defaults under this Agreement. It is understood and agreed that the Party's obligations to furnish such estoppel certificates in a timely fashion is a material inducement for execution of this Agreement.
- j) Representations and Warranties of the Developer. The Developer represents and warrants to the City that:
 - i) It is an entity duly organized, existing, and in good standing under the laws of the State of Delaware; and
 - ii) It has the full right, power, and authority to enter into this Agreement and to perform its obligations hereunder.
- k) Force Majeure. In addition to specific provisions of this Agreement, no Party shall be responsible for any default, delay or failure to perform if such default, delay or failure to perform is due to causes beyond such Party's reasonable control, including, but not limited to, strikes, lockouts, actions or inactions of governmental authorities, epidemics, pandemic, wars, embargoes, fires, hurricanes, adverse weather, acts of God, interference duly caused by any other Party, or the default of a common carrier. In the event of a default, delay or failure to perform due to causes beyond such Party's reasonable control or due to interference by another Party, any date or times by which the Parties are otherwise scheduled to perform, if any, shall be extended for a period of time equal in duration to the time lost by reason of the cause beyond the reasonable control of such Party. Written notice of such alleged delay shall be given to the other Party within thirty days of the commencement of such delay. An extension of time, if any, for such cause shall be mutually agreed upon in writing by the Parties. The Parties agree that such consent to an extension of time shall not be unreasonably withheld.
- l) Construction of Agreement. Both Parties hereto have been represented by counsel in the negotiation of this Agreement, and neither this Agreement nor any provision hereof shall be construed against a Party hereto because such Party drafted it or caused it to be drafted.
- m) No Waiver. Failure of a Party hereto to exercise any right hereunder shall not be deemed a waiver of any such right and shall not affect the right of such Party to exercise at some future time said right or any other right it may have hereunder. Unless this Agreement is amended by vote of the City Council taken with the same formality as the vote approving this Agreement, no officer, official or agent of the City has the power to amend, modify or alter this Agreement or waive any of its conditions except as set forth herein.
- n) E-Verify Requirements. (A) If this contract is awarded pursuant to North Carolina General Statutes (NCGS) 143-129 – (i) the contractor represents and covenants that the contractor

and it subcontractors comply with the requirements of Article 2 of Chapter 64 of the NCGS; (ii) the words “contractor”, “contractor’s subcontractors,” and “comply” as used in this subsection (A) shall have the meanings intended by NCGS 143-129(j); and (iii) the City is relying on this subsection (A) in entering into this contract. (B) If this contract is subject to NCGS 143-133.3, the contractor and its subcontractors shall comply with the requirements of Article 2 of Chapter 64 of the NCGS.

- o) Notices. All notices hereunder shall be given in writing by certified mail, postage prepaid, or by delivery through a nationally recognized overnight carrier, delivery confirmation required, provided that such notices may be delivered via electronic mail if such notice shall also be delivered by one of the other methods described in this section. Delivery shall be deemed effective as of the date of the delivery receipt, or, for notices delivered electronically, on the date such notice was sent via electronic mail without automatic notification of any delivery error. Notices shall be delivered to the following addresses:

To the City:	City Manager’s Office City of Kannapolis 401 Laureate Way Kannapolis, North Carolina 28081 Email: mlegg@kannapolisnc.gov
With copies to:	City Attorney City of Kannapolis 401 Laureate Way Kannapolis, North Carolina 28081 Email: wsafrit@kannapolisnc.gov
To the Developer:	McDonald’s USA, LLC 110 N Carpenter Street Chicago, Illinois 60607-2101 Email: thomas.pickett@us.mcd.com
To the Owner:	MPV Kellswater, LLC C/O MPV Properties 2400 South Boulevard, Suite 300 Charlotte, North Carolina 28202 Email: kchapman@mpvre.com
With Copies to:	Moore & Van Allen PLLC 100 North Tryon Street, Suite 4700 Charlotte, North Carolina 28202-4003 Attn: J Christopher Oates Email: chrisoates@mvalaw.com

- p) Execution of Agreement. This Agreement may be executed in multiple parts as originals or by facsimile or scanned copies of executed originals and may further be executed by counterpart signature pages.

- q) Time for Performance. Any reference to “day” or “days” herein shall mean calendar day(s) unless otherwise specified, and any deadline or outside date set forth herein falling on a Saturday, Sunday, or holiday on which banks are closed for business in Kannapolis, North Carolina shall be automatically extended to the following business day.
- r) Conflicting Terms; Conflicting Requirements. In the event of a conflict between the requirements of this Agreement and the requirements of any Exhibits or any of the Related Agreements, the more stringent requirements shall apply.
- s) Owners Consent. Owner hereby consents to Developer’s entry into this Agreement with respect to the Property and hereby agrees that the terms, conditions, and covenants shall be construed as covenants running with the land encumbering the Property in accordance with Sections 5 and 14(g) of this Agreement.
- t) Execution of Lease Agreement. City acknowledges the fact that Developer and Owner have not yet executed a lease in connection with the Project and, as such, Developer shall have no liability or obligations under this Agreement if the lease is not fully executed or if the lease is terminated by Developer or Owner prior to the initial construction of the Project improvements.

IN WITNESS WHEREOF, this Development Agreement has been executed by the Parties on the day and year first above written.

CITY OF KANNAPOLIS

By: _____
Michael B. Legg
City Manager

Attest: _____
Bridgette Bell, MMC, NCCMC
City Clerk

STATE OF NORTH CAROLINA

COUNTY OF _____

I, _____, a Notary Public of the County and State aforesaid, certify that Bridgette Bell personally came before me this day and acknowledged that she is City Clerk of the City of Kannapolis, a North Carolina municipal corporation, and that by authority duly given and as the act of the City of Kannapolis, the foregoing instrument was signed in its name by Michael B. Legg, City Manager, sealed with its municipal seal and attested by her as its City Clerk.

Witness my hand and notarial seal, this _____ day of _____, 20__.

Notary Public

[SEAL]

My commission expires: _____

Developer:

MCDONALD'S USA, LLC,
a Delaware Limited Liability

By: Thomas Pickett McDonald's Senior Counsel

By: [Signature]
Senior Counsel

STATE OF ~~NORTH CAROLINA~~ ILLINOIS

COUNTY OF COOK

I, Laura Razo, a Notary Public of the County and State aforesaid, certify that Thomas R. Pickett personally came before me this day and acknowledged that (s)he is Manager of McDonalds USA, LLC, a Delaware Limited Liability Company, and that by authority duly given and as the act of MCDONALD'S USA, LLC, the foregoing instrument was signed in its name by Senior Counsel, ~~Manager~~ of McDonald's USA, LLC.

Witness my hand and notarial seal, this 16th day of February, 2024

[Signature]
Notary Public

[SEAL]

My commission expires: 10-28-27



Owner:

KELLSWATER, LLC,
a North Carolina Limited Liability Company

By: MPV Properties, LLC,
its Manager

By: [Signature]
Manager

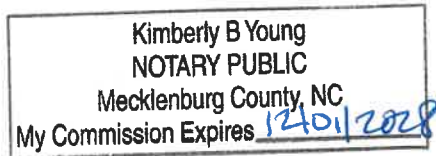
STATE OF NORTH CAROLINA

COUNTY OF Mecklenburg

I, Kimberly B Young, a Notary Public of the County and State aforesaid, certify that Chris Skvoretz personally came before me this day and acknowledged that (s)he is Manager of MPV Properties, LLC, Manager of KELLSWATER, LLC, a North Carolina Limited Liability Company, and that by authority duly given and as the act of KELLSWATER, LLC, the foregoing instrument was signed in its name by Chris Skvoretz, Manager of MPV Properties, LLC itself the Manager of KELLSWATER, LLC.

Witness my hand and notarial seal, this 19 day of February, 2024

[SEAL]



[Signature]
Notary Public

My commission expires: 12/01/2028

EXHIBIT A

Ordinance

**AN ORDINANCE ADOPTING THE DEVELOPMENT AGREEMENT BY AND AMONG
THE CITY OF KANNAPOLIS, NORTH CAROLINA,**

**MCDONALDS USA, LLC,
A DELAWARE LIMITED LIABILITY COMPANY**

AND

**KELLSWATER, LLC
A NORTH CAROLINA LIMITED LIABILITY COMPANY**

WHEREAS, N.C.G.S. §160D-1001 through §160D-1012 (the “Act”), authorizes municipalities to enter into development agreements with developers under the terms and conditions stated in the statutes, and

WHEREAS, the City of Kannapolis (“City”), McDonald’s USA, LLC, a Delaware limited liability company (“Developer”), and MPV Kellswater, LLC, a North Carolina limited liability company (with its successors in interest (“Owner”), have negotiated an agreement in accord with and under the authority of the cited statutes, and

WHEREAS, a public hearing was held on February 26th, 2024, as set forth in N.C.G.S. §160D-1003 providing public review of the Development Agreement, as defined below; and

WHEREAS, the City finds that the Development Agreement is consistent with the Act, the City’s adopted policy guidance, and the Current Regulations, as defined in the Development Agreement, and is reasonable and in the public interest for the reasons set forth in the Development Agreement:

NOW, THEREFORE, BE IT ORDAINED, by the Kannapolis City Council that:

1. Pursuant to the authority granted to the City by Article 10 of Chapter 160D of the North Carolina General Statutes, the City hereby adopts the Development Agreement by and among the City and the Developer, attached hereto (the “Development Agreement”), and authorizes the Manager to execute the Development Agreement.
2. This Ordinance is effective upon adoption.

Adopted this ____ day of _____, 20__.

Milton D. Hinnant, Mayor

Bridgette Bell, MMC, NCCMC
City Clerk

EXHIBIT B

Property

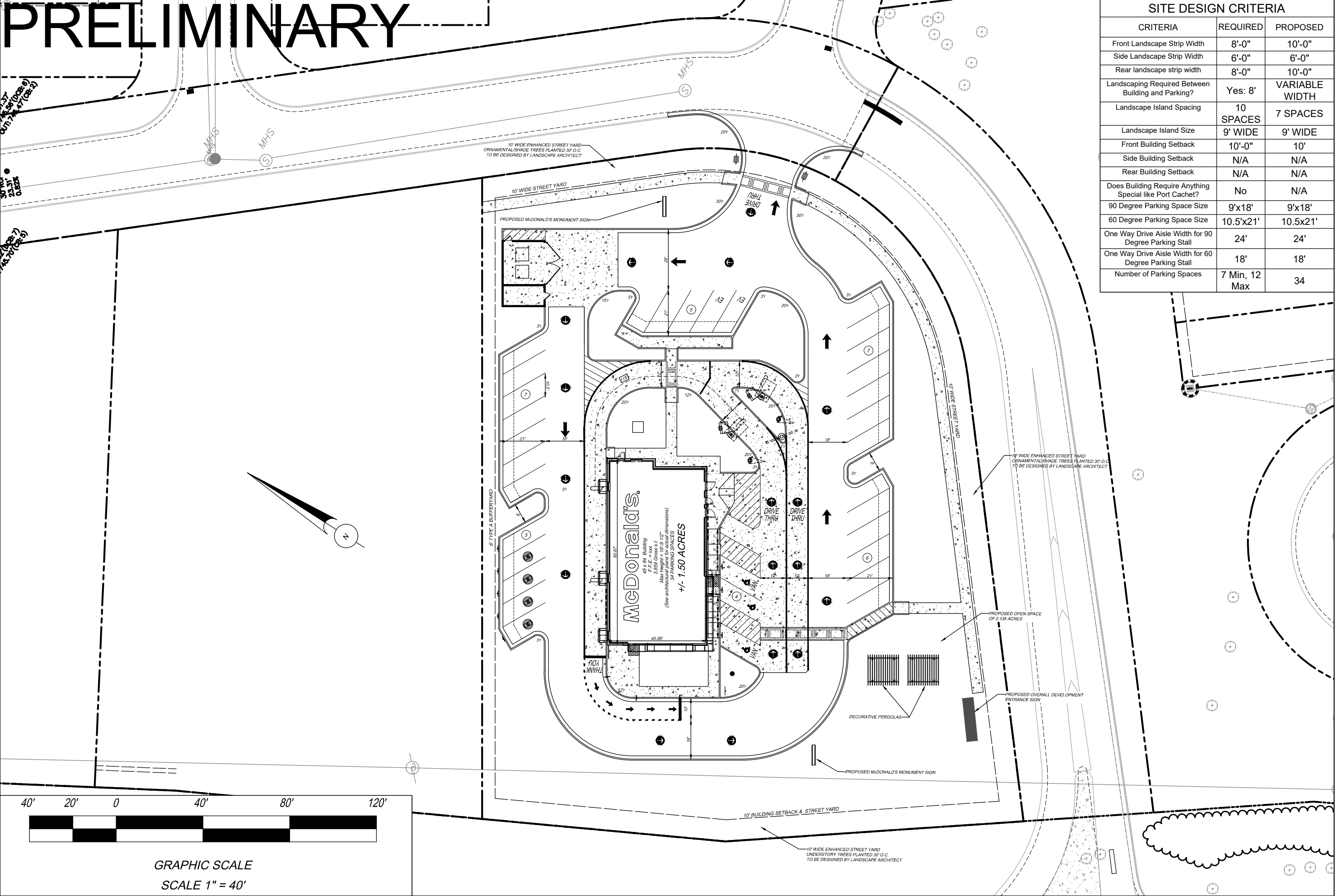
That certain 1.598-acre parcel of land known as Outparcel 10 as shown on that certain map recorded in Map Book 97 at Page 72 of the Cabarrus County Public Registry.

EXHIBIT C

Development Plan

[ATTACHED]

PRELIMINARY



SITE DESIGN CRITERIA		
CRITERIA	REQUIRED	PROPOSED
Front Landscape Strip Width	8'-0"	10'-0"
Side Landscape Strip Width	6'-0"	6'-0"
Rear landscape strip width	8'-0"	10'-0"
Landscaping Required Between Building and Parking?	Yes: 8'	VARIABLE WIDTH
Landscape Island Spacing	10 SPACES	7 SPACES
Landscape Island Size	9' WIDE	9' WIDE
Front Building Setback	10'-0"	10'
Side Building Setback	N/A	N/A
Rear Building Setback	N/A	N/A
Does Building Require Anything Special like Port Cachet?	No	N/A
90 Degree Parking Space Size	9'x18'	9'x18'
60 Degree Parking Space Size	10.5'x21'	10.5'x21'
One Way Drive Aisle Width for 90 Degree Parking Stall	24'	24'
One Way Drive Aisle Width for 60 Degree Parking Stall	18'	18'
Number of Parking Spaces	7 Min, 12 Max	34



SUBMIT TO CITY OF KANNAPOLIS	
2	10/06/2023
SUBMIT TO McDONALD'S	
1	09/12/2023
DESCRIPTION	
NO.	DATE:
4	
3	



DRAWING TITLE: CONCEPTUAL SITE PLAN	
PROJECT NAME: 32-1734 ~ KANNAPOLIS, NC - 3650 KANNAPOLIS PKWY	CLIENT: McDONALD'S USA, L.L.C.

PROJECT NO.: MCD-23123	PROJ. MGR.: WJM
DATE: 10/06/2023	DRWN. BY: WBA
SCALE: 1"=40'	CHKD. BY: WJM
DRAWING NO: MCD-23123 Option B	
SHEET NO. C-0	



January 8th, 2024

Will Marshall, EIT
Project Engineer
Integrity Engineering and Development Services, Inc.
will@integrityeng.net
P: 678-591-1353

RE: McDonald’s Parking Analysis, Kannapolis, NC

Dear Mr. Marshall,

Per your request, Timmons Group performed a parking analysis for the proposed McDonald’s Development to be located off Kannapolis Parkway in Kannapolis, NC.

This memorandum summarizes Timmons Group’s calculations and findings to support an increase of the maximum parking requirements for the proposed development. The Kannapolis Development Ordinance (KDO) allows a maximum of 14 parking spaces. The proposed development is seeking to increase the City’s parking requirement by 20 parking spaces equating to a total of 34 parking spaces.

Background

The proposed McDonald’s Development will consist of approximately 3,859 square-feet (SF) of gross floor area (GFA) and 900 SF of seating area. The proposed zoning for the property is General Commercial.

The City’s KDO Section 5.2.E provides standard parking rates dependent on the development’s land use, square footage, and proposed zoning. Per Section 5.2.E, for a restaurant zoned General Commercial, a minimum of 8 parking spaces per 1,000 SF of seating area is required. Maximum parking spaces cannot exceed 175% of the minimum parking requirement. **Table 1** summarizes the minimum / maximum spaces allowed by the City’s KDO.

**Table 1 – City of Kannapolis Parking Code Requirements
(KDO Section 5.2.E)**

Principal Use Category / Type	Development Size	Code Requirements	Parking Requirement (Spaces)
Restaurant, Carryout	900 SF seating area	8 spaces per 1,000 SF of seating area	8
Maximum Parking Allowed		175% of Minimum Required Parking	14

Per the City’s KDO, a minimum of 8 parking spaces are required for the proposed McDonald’s Development. Additionally, a maximum of 14 parking spaces are allowed for the proposed McDonald’s Development.



Parking Demand Study

Peak period parking counts were conducted at a comparable McDonald’s restaurant located on 5051 Bayfield Parkway in Kannapolis, NC (see **Figure 1**). This facility was selected due to similarities in size and its proximity to the proposed McDonald’s restaurant. Parking counts were conducted between 6:30 am – 7:00 pm on Friday, December 8th, 2023. Day / times were established through conversations with McDonald’s store representatives. The parking counts were conducted to determine the maximum number of parking spaces utilized during the peak time periods for McDonald’s restaurants. **Table 2** shows the results from Timmons Group’s data collection.

Figure 1 – Existing McDonald’s Kannapolis, NC



Table 2 – Parking Counts

Store Location	Gross Floor Area	Parking Lot Size (Spaces)	Maximum Parking Demand
McDonald’s (Kannapolis, NC)	4,000 SF	47 Spaces	29 Spaces

Note: Gross Floor Area estimate based on aerial imagery.

The existing McDonald’s restaurant included 47 available parking spaces (39 standard spaces, 2 handicap spaces, and 6 online pickup spaces). The maximum number of occupied parking spaces observed was 29 (27 standard spaces, 2 handicap spaces and 0 online pickup spaces).

It is assumed that the maximum parking required for McDonald’s restaurants will primarily be a function of the size of its seating area. Because the existing and proposed McDonald’s restaurants have comparable GFAs, it was assumed that they also had comparable seating



floor areas. As such the maximum parking occupancy for the proposed McDonald's restaurant was assumed to be equal to the maximum packing occupancy observed at the existing McDonald's restaurant (29).

Although 29 parking spaces are required to meet the calculated peak parking demand, it was assumed that data was collected on a normal day. It is likely that the actual maximum parking demand will exceed the observed maximum parking demand at various times throughout the year. Additionally, only standard and handicapped spaces were occupied during the maximum occupancy period observed in the field. It is likely that specialized parking spaces will be utilized as well (i.e. electric vehicle spaces and online order pickup spaces) particularly during high demand times. For instance, for high demand times (i.e., weekday lunch), it is likely that a portion of the online pick-up spaces will be occupied by those patrons' placing orders in advance to avoid wait times for to-go orders. Based on this, the construction of 34 total parking spaces (or approximately 117% of the projected peak parking demand) is anticipated to adequately accommodate projected parking demands.

Conclusions

The proposed development is seeking a 20 parking space increase above the City of Kannapolis' KDO allowed maximum of 14 parking spaces equating to a total of 34 parking spaces. As discussed above, ample data exists to justify this increase in parking. **Table 3** summarizes the results of this study, compiling the City of Kannapolis' off-street parking requirement, additional capacity requested (based on McDonald's parking counts), and requested parking.

Table 3 – Parking Requirements

McDonald's	Parking Spaces
KDO Section 5.2.E Maximum allowed	14
Additional Capacity Requested	+20
Requested Parking	34

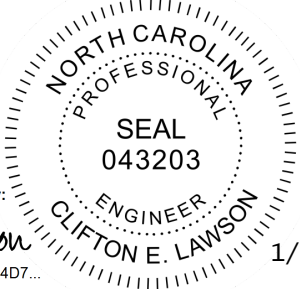
As shown in **Table 3** above, for the proposed McDonald's in Kannapolis, NC, Timmons Group concludes that 34 parking spaces should adequately accommodate all projected parking demand.

Should you have any questions regarding this memorandum, please do not hesitate to contact me.

Sincerely,

DocuSigned by:

A71C57A8A9564D7...

 1/8/2024

Cliff Lawson, PE, PTOE
Senior Project Manager, Transportation
(Attachments)

EXHIBIT D

Development Schedule and Public Facilities Schedule/Scope of Work

1. Development of a single tenant restaurant facility infrastructure improvements for water, sanitary sewer, paving and drainage, in accordance with the approved site plan.
2. Comply with the requirements of Section VI. "General Conditions" Subsection B, of the City Wastewater Allocation Policy.
3. Development Project is anticipated to be completed on or before September 22th, 2025 but such construction shall not be an obligation of Developer.

EXHIBIT E

**Developer Obligations
and Scoring Matrix**

[ATTACHED]

October 6th, 2023

City of Kannapolis
Planning Department
401 Laureate Way
Kannapolis, NC 28081

Attn: Mr. Richard Smith

RE: Wastewater Allocation Proposal for McDonald's Restaurant
3650 Kannapolis Parkway, Kannapolis, NC 28081

Mr. Smith,

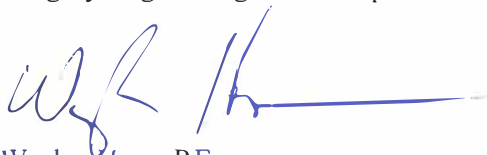
As you are aware, our firm represents the property owner and developer concerning the above-captioned Application for Infill Non-Residential Wastewater Allocation. The Application is scheduled to be reviewed and considered by the Scoring Matrix Review Committee following the October 6th, 2023 submittal deadline.

We appreciate the opportunity that the City of Kannapolis has provided for us to apply for sewer allocation. With this said, the following report shall provide the Scoring Matrix Review Committee with the necessary information needed to consider our proposed development for allocation.

The following report is divided into four (4) Sections that are as follows: (1) Introduction, (2) Flow Calculations, (3) Scoring Matrix Narrative, and (4) Conclusion. Please do not hesitate to call me should you or the staff require any further information or documentation prior to the formulation of the analysis and recommendations by the Scoring Matrix Review Committee.

Sincerely,

Integrity Engineering & Development Services, Inc.



Waylon Hoge, P.E.

Principal

TABLE OF CONTENTS

<u>ITEM/DESCRIPTION</u>	<u>PAGE NO.</u>
1. Introduction	1
2. Flow Calculations	1-2
3. Scoring Matrix Narrative	2-8
4. Conclusion	8

<u>EXHIBITS</u>	<u>NO.</u>
1. Wastewater Treatment Capacity Allocation Scoring Non-Residential Matrix	EX-1
2. Preliminary Site Plan - 34 Parking Spaces	EX-2
3. Preliminary Site Plan - 12 Parking Spaces	EX-3
4. Preliminary Building Elevations	EX-4

1. INTRODUCTION

The address of the subject property being considered for allocation is 3650 Kannapolis Parkway, Kannapolis, NC 28081 and the Parcel PIN Number is 56023847880000. McDonald's USA, LLC is currently engaging in discussions to ground lease the subject property from MPV Kellswater, LLC. The property contains +/- 1.50 acres and is known as "Outparcel 10" within the Kellswater Commons development fronting Kannapolis Parkway & Dogwood Boulevard. The current zoning of the site is General Commercial (GC), which allows for the use of a quick-serve drive-thru restaurant.

McDonald's USA, LLC intends to develop the property and construct a new 3,859 square foot masonry building, associated parking lot, and landscaping as shown on the attached site plan. The site will be accessed by a proposed driveway along Dogwood Boulevard, which is also depicted on the attached site plan. A regional stormwater detention pond is proposed to provide water quality and detention for the site. The proposed construction of the new restaurant is planned to begin no later than June 22nd, 2025, and the construction timeframe will be approximately 90 days.

If sanitary sewer allocation is awarded to the subject site by the City of Kannapolis, the following timeline will be used for development of the subject site. McDonald's USA, LLC has the intent of authorizing the design of full construction documents and submitting for plan review as swiftly as possible following an allocation award.

Action	Timeframe	Date (No Later Than)
Submit for Allocation Review	---	10/06/2023
Receive Allocation Decision	3-4 Weeks	10/31/2023
Secure Preliminary Site Plan Approval (If Awarded Allocation)	120 Days	2/28/2024
Submit Final Construction Drawings	120 Days	6/27/2024
Final Construction Drawing Approval	180 Days	12/24/2024
Construction Start	180 Days	6/22/2025

1. FLOW CALCULATIONS

A calculation of flow data is provided to give the Scoring Matrix Review Committee an understanding of how much sewer discharge the proposed McDonald's restaurant will produce. The wastewater flow rate for this proposed McDonald's restaurant was calculated using "Subchapter 02T – Waste Not Discharged to Surface Water" of the *North Carolina Administrative Code (NCAC)*.

In "15A NCAC 02T .0114 Wastewater Design Flow Rates, Section C," of the *NCAC*, it is mentioned that for a full-service restaurant, a value of 40 gal/seat shall be used to determine the minimum allowable

design daily flow. Fifty-eight (58) seats will be proposed at this McDonald's location, which results in 2,320 gallons of sewer discharge being generated per day as indicated by the formula below:

$$\text{Average Daily Flow (ADF) in Gallons} = 58 \text{ seats} * 40 \frac{\text{gallons}}{\text{seat}} = \mathbf{2,320 \text{ gpd}}$$

2. SCORING MATRIX NARRATIVE

Below you will find a narrative that corresponds to the Wastewater Treatment Capacity Allocation Scoring Non-Residential Matrix. A breakdown of each matrix category has been provided, explaining the rationale behind the points that were assigned to each category.

Development Type:

- 0) General Commercial (COM): **25 points**

Explanation: General commercial use includes retail, restaurants, bars, breweries, and similar uses. With a fast-food restaurant being proposed here, the subject site will qualify for 25 points.

Community Impact Bonus Points:

- 1) Cultural Arts/Entertainment/Sports/Recreation for public use: **0 points**

Explanation: The proposed site will not provide any of these uses to the public.

- 2) Renovation and adaptive re-use of an existing non-residential building: **0 points**

Explanation: The proposed site will not provide renovation or adaptive re-use of an existing non-residential building.

- 3) Re-development of existing non-residential property (removal of underutilized building): **0 points**

Explanation: The proposed site will not provide for re-development of an existing non-residential property.

- 4) Masonry elements included in building construction: **10 points**

Explanation: The proposed site will contain a proposed McDonald's restaurant with four (4) masonry facades. Please see the attached building elevations for reference.

- 5) Projected taxable value per acre exceeding \$1.5 million up to \$3 million: **2 points**

Explanation: Integrity Engineering & Development Services, Inc. is currently permitting a proposed McDonald's in Catawba County, which is set to ground break in November of 2023. The address for this site is 3961 Village Center South, Sherrills Ford, NC 28673. A bid was received for the project from the General Contractor that totaled \$2,300,992.43. This cost is broken out in the figure below.

Category Summary:	
Description	Total (\$)
General Requirements	80,083.13
Site	660,804.68
Building	1,559,604.62
Equipment	500.00
TOTAL	2,300,992.43

This nearby Catawba County site is 1.43 acres in size, and therefore the following formula can be applied for determining the projected taxable value per acre on the site:

$$\text{Projected Taxable Value Per Acre} = \frac{\$2,300,992.43}{1.43 \text{ AC}} = \frac{\$1,609,085.62}{\text{AC}}$$

- 6) Projected taxable value per acre exceeding \$3 million up to \$10 million: **0 points**

Explanation: The proposed site falls within the \$1.5 million to \$2 million projected taxable value per acre bracket.

- 7) Projected taxable value per acre exceeding \$10 million: **0 points**

Explanation: The proposed site falls within the \$1.5 million to \$2 million projected taxable value per acre bracket.

- 8) Enhanced Usable Green/Open Space: **2 points**

Explanation: Table 5.4.D: Required Open Space Set Asides in the KDO states that a site that proposes commercial use that is also located within a GC zoning district shall provide a minimum of 7.5% of the development site area as open space set-aside area.

Table 5.4.D: Required Open Space Set Asides			
USE CLASSIFICATIONS	MINIMUM OPEN SPACE SET-ASIDE AREA (AS PERCENTAGE OF DEVELOPMENT SITE AREA)		
	RESIDENTIAL ZONING DISTRICTS	MIXED-USE, COMMERCIAL, AND INDUSTRIAL ZONING DISTRICTS	PLANNED DEVELOPMENT ZONING DISTRICTS
Residential	20%	10%	25%
Civic/Institutional	10%	7.5%	10%
Commercial	10%	7.5%	10%
Industrial	5%	5%	10%

We are proposing a 15% increase of this open space set-aside requirement, which would require 9% of the development site area contains open space set-aside. With the site being +/- 1.50 acres in size, this yields 0.135 acres being proposed on site as open space.

9) Enhanced Landscaping: **2 points**

Explanation: Table 5.3.I(2): Street Yard Tree Planting Requirements in the KDO states that an 8' wide street yard is required along road frontages between the sidewalk and curb. The street yard must contain one (1) shade or ornamental tree per 35 lineal feet.

Table 5.3.I(2): Street Yard Tree Planting Requirements		
ZONING DISTRICTS	MIN. WIDTH (FT.) [1]	MIN. REQUIRED SHADE OR ORNAMENTAL TREES
Residential	5	1 per 50 linear ft.
Mixed-Use, Commercial, and Industrial	8	1 per 35 linear ft.
NOTES: [1] Widths shall be measured from the respective right-of-way/property line. Where street yards turn at street corners, the length measurements determining plant quantities shall not be required to overlap.		

We are proposing a 15% increase to the perimeter street yard width and tree density requirement. This will result in a street yard width of 10' and one (1) required shade or ornamental tree per 30 lineal feet.

10) Tree Preservation: **0 points**

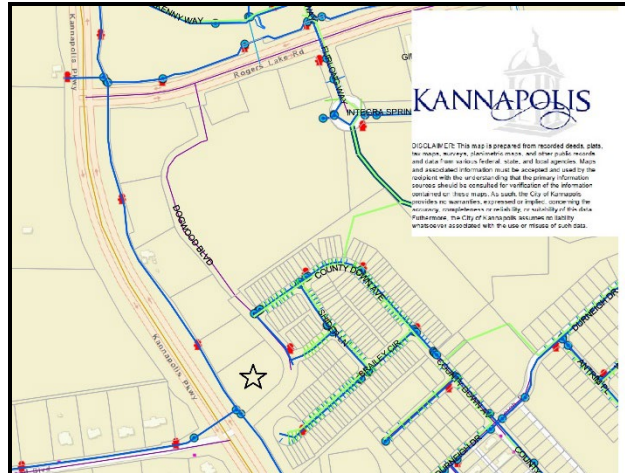
Explanation: The only existing trees currently located on the subject site are a small row along Kannapolis Parkway. Tree preservation will not be utilized, as it will be more beneficial to create new perimeter landscaping yards that are harmonious with the remainder of the proposed site landscaping.

11) Trail or sidewalk connection to existing or planned public greenway, park/public spaces: **0 points**

Explanation: It is not currently known whether there will be a planned public greenway, park, or other public space within the vicinity of the subject site. There may be a small greenspace proposed on the opposite side of Dogwood Boulevard, however, this is still yet to be confirmed. Please see the attached site plan, which includes a sidewalk that extends along Dogwood Boulevard. In the future, this sidewalk may lead to a public greenway, park, or other public space, however, as of now, 0 points will be assigned to this category.

12) Connection to Recently Extended Utilities: **2 points**

Explanation: Water and sewer is being extended to the property line of the subject site as part of the construction of the overall development. Please see the water & sewer GIS map below:



This sewer map does not depict a sanitary sewer manhole that is proposed by the developer within the Dogwood Boulevard right-of-way, which will allow for easy sewer connection by the McDonald's site.

13) City Services or Facilities Improved: **0 points**

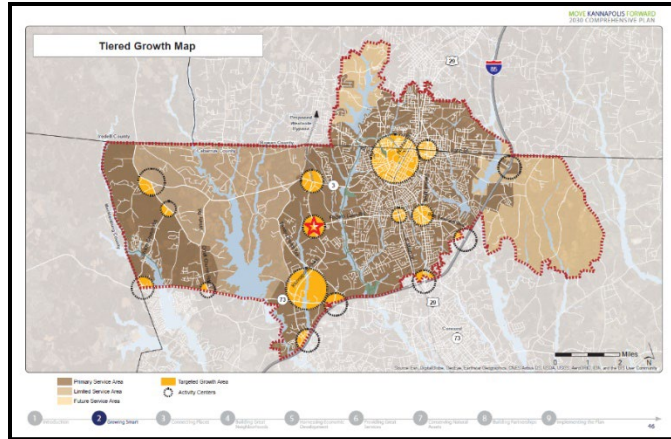
Explanation: At this moment, it is not clear as to whether the development of the subject site will result in any sort of improvement to City services above and beyond the benefit that the project will bring.

14) City Infrastructure Improved: **4 points**

Explanation: The subject site is part of an overall development in which the developer has made numerous contributions towards City infrastructure, mainly involving improvements to utilities and roadways along Rogers Lake Road.

15) Located in Targeted Growth Area: **2 points**

Explanation: The site falls within the targeted growth area depicted in the Tiered Growth Map below. This map is available on Page 46 of the Kannapolis 2030 Comprehensive Plan. The subject site is also located within a "Food Desert", which will provide dining and to-go order opportunities for residents nearby.



16) Project is located on an existing Rider bus route: **0 points**

Explanation: There are currently no Rider bus routes within 1000 feet of the subject site.



17) Project is located in the Cannon Boulevard, South Main Street, North Main Street, Dale Earnhardt Boulevard, or Lane Street corridors: **0 points**

Explanation: The subject site is not located within any of these street corridors.

18) Variance required: **0 points**

Explanation: At the time of the completion of this Application, it is unclear as to whether a variance will be required for an increase in the maximum allowable amount of parking spaces.

Parking for the proposed McDonald's restaurant will be required at a rate of 8 spaces per 1,000 s.f. of seating area as indicated in Table 5.2.E(1)a below:

Office, General business or professional	2.25 per 1,000 sf	3.0 per 1,000 sf
Eating or Drinking Establishments		
Bar	4.0 per 1,000 sf seating area	8.0 per 1,000 sf seating area
Microbrewery	4.0 per 1,000 sf seating area	8.0 per 1,000 sf seating area
Nightclub	4.0 per 1,000 sf seating area	8.0 per 1,000 sf seating area
Restaurant	4.0 per 1,000 sf seating area	8.0 per 1,000 sf seating area
Restaurant, Carryout	4.0 per 1,000 sf seating area	8.0 per 1,000 sf seating area

With the prototypical McDonald's restaurant containing approximately 900 s.f. of seating area, this will yield an amount of seven (7) required parking spaces as calculated by the formula below:

$$\text{Required Parking} = \frac{900 \text{ s.f.}}{1,000 \text{ s.f.}} * 8.0 \text{ spaces} = 7.2 \sim \mathbf{7 \text{ spaces required}}$$

In addition to a minimum parking requirement, there is also a maximum parking requirement that is set forth by Table 5.2.E(1)b in the KDO.

Table 5.2.E(1)b: Maximum Number of Off-Street Parking Spaces	
ZONING DISTRICT	MAXIMUM PARKING
TOD, CC, MU-UC, or MU-AC District	125%
HI District	No maximum
All other zoning districts	175%

The maximum parking requirement for the proposed McDonald's will be calculated by multiplying the minimum parking requirement by 175%:

$$\text{Maximum Parking} = 7 \text{ spaces} * 1.75 = 12.25 \sim \mathbf{12 \text{ spaces maximum}}$$

A maximum of twelve (12) parking spaces for this proposed McDonald's restaurant will likely generate complications for the function of the business, as most commercial businesses, especially restaurants, require adequate parking for both dine in customers and employees. With McDonald's typically having twelve (12) to twenty (20) employees working during peak-hour shifts, a maximum of twelve (12) parking spaces imposed by the KDO would barely allow for employees to have adequate parking while on shift, let alone allow for further open parking spaces for dine-in customers.

This is why the option provided in 5.2.E(2)a of the KDO for an Alternative Parking Plan will likely be pursued as part of the permitting process of the proposed McDonald's. The KDO states, "An alternative parking plan may propose to exceed the maximum number of off-street vehicular parking spaces allowed by Section 5.2.E(1)b, Maximum Parking Standards. The Planning Director shall approve such a plan only after submission of a parking demand study prepared by a professional transportation engineer which demonstrates how the maximum number of parking spaces allowed by Section 5.2.E(1)b is insufficient for the proposed development".

It is still unclear as to whether an Alternative Parking Plan accompanied with a parking demand study prepared by a professional transportation engineer will be considered as a variance by the City. We request that a discussion regarding this with the City be had as soon as possible. For purposes of this Sewer Allocation Application, two (2) site plans shall be submitted, one (1) exhibiting the maximum amount of parking spaces and one (1) exhibiting the amount of parking spaces that we deem as adequate to support the use of the site.

19) Amendment to the 2030 Comprehensive Plan required: **0 points**

Explanation: At the time of the completion of this Application, no amendment(s) to the 2030 Comprehensive Plan is/are anticipated.

20) Pump Station Improvements required: **0 points**

Explanation: No pump station improvements will be required for the development of the subject site.

21) New Pump Station(s) Required: **0 points**

Explanation: No new pump station(s) will be required for the development of the subject site.

$$\begin{aligned}
 \text{Total Points Breakdown} &= \\
 \text{Development Type Points} + \text{Community Impact Bonus Points} &= 25 + 10 + 2 + 2 + 2 + 2 + 4 + 2 \\
 &= 25 \text{ points} + 24 \text{ points} = \mathbf{49 \text{ points}}
 \end{aligned}$$

3. CONCLUSION

Thank you for taking the time to review our application. We believe that the approval of this allocation request will not be injurious to the public health, safety, morals, or general welfare of the community. The community will benefit from the development of the property by providing jobs, tax revenue, and food services for the City of Kannapolis. The proposed use for the development is appropriate for the surrounding proposed businesses and will have a positive effect on neighboring property values.

EX-1: Wastewater Treatment Capacity Allocation Scoring Non-Residential Matrix



Exhibit C
WASTEWATER TREATMENT
CAPACITY ALLOCATION SCORING
NON-RESIDENTIAL MATRIX

Development Type¹

(Choose 1 from this table)

TOTAL POINTS:

	Development Type Category	Points	Calc.	Notes
1	Government/Education/Public Safety (GOV)	50		Public sector projects only.
2	General Commercial (COM)	25		Includes retail, restaurants, bars, breweries, and similar uses.
3	Office (OFF)	15		Includes general office and similar uses.
4	Medical (MED)	35		
5	Distribution/Warehouse (DST)	30		50% or more of the use is for storage and distribution of goods.
6	Hotel (HTL)	25(+5)		Additional points for amenities (indoor pool, restaurant, location, etc.)
7	Grocery	30 (+5)		Additional points for location in food desert (+5)
8	Childcare Facility	20		
9	Industrial/Manufacturing (IND)	40		50% or more of the use is for manufacturing of goods.
10	Mixed-Use Projects (MIX)	TBD		Points determined by weighted average of all development categories based on the acreage or square footage planned for each category. Example: a 10-acre project with 3 acres devoted to a hotel (30%), 5 acres devoted to multi-family (50%) and 2 acres devoted to a retail component (20%) would result in a development type point calculation of 18 or $(25 \times 30\%) + (10 \times 50\%) + (25 \times 20\%)$. All fraction numbers will be rounded up to the next whole number.
11	Downtown Redevelopment (DTN)	45		Projects on properties located within the Municipal Service District owned by the City of Kannapolis or Castle and Cooke, Inc. – and affiliate companies - within the past 60 months (including successor owners).

¹ Any Development Type Category not listed is subject to Planning Director discretion and assignment of reasonable points.



Exhibit C
WASTEWATER TREATMENT CAPACITY
ALLOCATION SCORING
NON-RESIDENTIAL MATRIX

Community Impact Bonus Points
 (Choose All that apply from this table)

	Community Impact Category	Type	Points	Calc.	Notes
1	Cultural Arts/Entertainment/Sports/Recreation for public use	GOV, COM, OFF, HTL, DNT	+1 to 3		Can be residential or non-residential projects. 1 pt. per, max 3pts (undeveloped open space = 0 pts).
2	Renovation and adaptive re-use of an existing non-residential building ³	GOV, COM, OFF, IND, DST, HTL, DTN	+2		Improvement must meet minimum City standards (with no waivers, adjustments or variances). The project must not include any City cost. The project must result in a projected investment exceeding 50% of the pre-existing tax value.
3	Re-development of an existing non-residential property (removal of underutilized building) ³	GOV, COM, OFF, IND, DST, HTL, DNT	+2		Must include the removal of an existing underutilized or one or more substandard structures/buildings. Improvement must meet all minimum City development standards (with no waivers, adjustments or variances). The project must not include any City cost. The project must result in a projected investment exceeding 50% of the pre-redevelopment tax value.



Exhibit C
WASTEWATER TREATMENT CAPACITY
ALLOCATION SCORING
NON-RESIDENTIAL MATRIX

Community Impact Bonus Points
(Choose All that apply from this table)

	Community Impact Category	Type	Points	Calc.	Notes
4	Masonry elements included in building construction	ALL	+5 to +10		Must be minimum of 50% of facades up to 100%
5	Projected taxable value per acre exceeding \$1.5 million up to \$3 million ³	ALL	+2		
6	Projected taxable value per acre exceeding \$3 million up to \$10 million ³	ALL	+4		
7	Projected taxable value per acre exceeding \$10 million ³	ALL	+6		
8	Enhanced Usable Green/Open Space	ALL	+2		15% increase from the KDO (or successor ordinances) in required usable open/green space. May not be the same geographic area as Category #9.
9	Enhanced Landscaping	ALL	+2		15% increase from the KDO (or successor ordinances) in required landscaping. May not be the same geographic area as Category #8.
10	Tree Preservation	ALL	+5		Planning Department approval of a tree preservation plan that results in maintaining a minimum 30% of the pre-development tree canopy coverage of the entire site at the time of project completion. Applicant will provide an estimated tree coverage percentage of the site prior to construction, using updated aerial photography or other suitable techniques.
11	Trail or sidewalk connection to existing or planned public greenway, park other public spaces	ALL	+2		Including associated public easements or dedication of land and construction of the actual connection.



Exhibit C
WASTEWATER TREATMENT CAPACITY
ALLOCATION SCORING
NON-RESIDENTIAL MATRIX

Community Impact Bonus Points
(Choose All that apply from this table)

	Community Impact Category	Type	Points	Calc.	Notes
12	Connection to Recently Extended Utilities	ALL	+2		Project will connect to water and/or sewer lines upon which the City currently maintains some level of public debt.
13	City Services or Facilities Improved	ALL	+1 to 4		Project results in improvement to an existing City service above and beyond the benefit to the project (e.g., new park land, dedicated active open space, greenway construction). City must approve and accept any land/facility dedications.
14	City Infrastructure Improved	ALL	+1 to 4		Project results in and improvement to an existing City infrastructure above and beyond the benefit to the project (e.g., sewer line installation resulting in removal of existing pump station(s), looped water lines resulting in improved fire protection, better water quality or water pressure; traffic improvements beyond those required by a Traffic Impact Statement, expanded stormwater detention beyond minimum requirements).
15	Located in Targeted Growth Area	ALL	+2		Per 2030 Comprehensive Plan.
16	Project is located on an existing Rider bus route	ALL	+2		Project property line within 1000 feet of bus route right-of-way.
17	Project is located in the Cannon Blvd, South Main St, North Main St, Dale Earnhardt Blvd, or Lane St corridors	ALL	+3		Adjacent to or with direct vehicular access to these streets. Cannon Blvd from southern City limits to northern City limits. South Main Street from Dale Earnhardt Blvd to Rogers Lake Road. North Main Street from North Loop Road to Kimball Street. Dale Earnhardt Blvd from Cannon Blvd to the city limits. Lane St from west to Old Salisbury-Concord Rd
18	Variance required	ALL	-3		
19	Amendment to the 2030 Comprehensive Plan required	ALL	-3		



Exhibit C
WASTEWATER TREATMENT CAPACITY
ALLOCATION
NON-RESIDENTIAL SCORING MATRIX

Community Impact Bonus Points
 (Choose All that apply from this table)

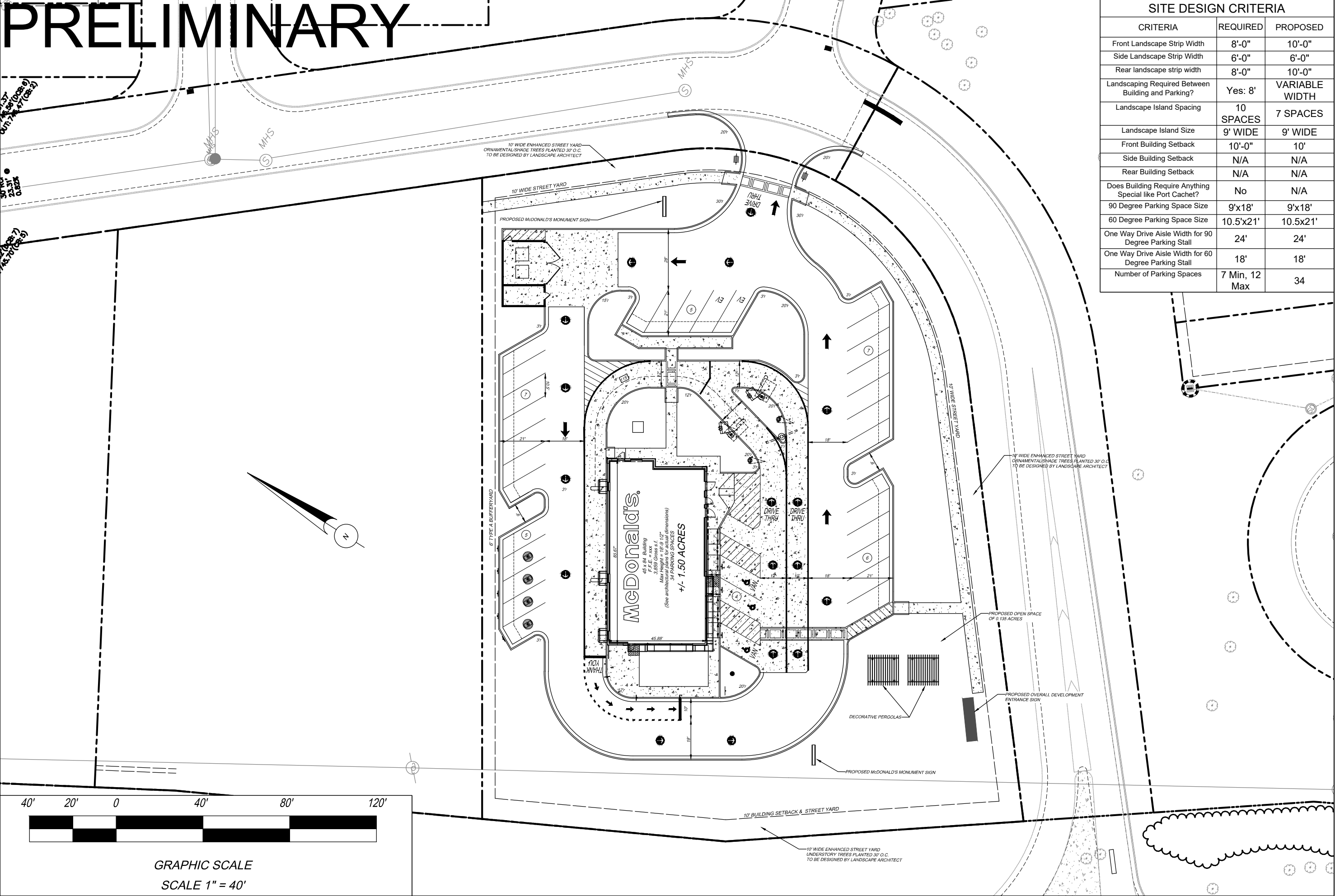
	Community Impact Category	Type	Points	Calc.	Notes
20	Pump Station Improvements required ²	ALL	-2		Subject to City policy and standards. Projects that fund these improvements will not be subject to the deduction of points and may be eligible for additional points for City infrastructure improvements.
21	New Pump Station(s) Required ²	ALL	-5		Subject to City policy and standards.

² The City Manager or designee may waive or reduce these deductions if the improvements are consistent with future utility service plans, replace/offline an aging station, or are in the best interest of the City.

³ Pre-construction estimates must be provided by licensed contractor or architect. Investment numbers may only include hard costs (e.g., no land values or design/permitting costs).

EX-2: Preliminary Site Plan (34 Parking Spaces)

PRELIMINARY



SITE DESIGN CRITERIA		
CRITERIA	REQUIRED	PROPOSED
Front Landscape Strip Width	8'-0"	10'-0"
Side Landscape Strip Width	6'-0"	6'-0"
Rear landscape strip width	8'-0"	10'-0"
Landscaping Required Between Building and Parking?	Yes: 8'	VARIABLE WIDTH
Landscape Island Spacing	10 SPACES	7 SPACES
Landscape Island Size	9' WIDE	9' WIDE
Front Building Setback	10'-0"	10'
Side Building Setback	N/A	N/A
Rear Building Setback	N/A	N/A
Does Building Require Anything Special like Port Cachet?	No	N/A
90 Degree Parking Space Size	9'x18'	9'x18'
60 Degree Parking Space Size	10.5'x21'	10.5'x21'
One Way Drive Aisle Width for 90 Degree Parking Stall	24'	24'
One Way Drive Aisle Width for 60 Degree Parking Stall	18'	18'
Number of Parking Spaces	7 Min, 12 Max	34



SUBMIT TO CITY OF KANNAPOLIS		SUBMIT TO MCDONALD'S		DESCRIPTION		REVISIONS	
4							
3							
2	10/06/2023						
1	09/12/2023						
NO.	DATE:						

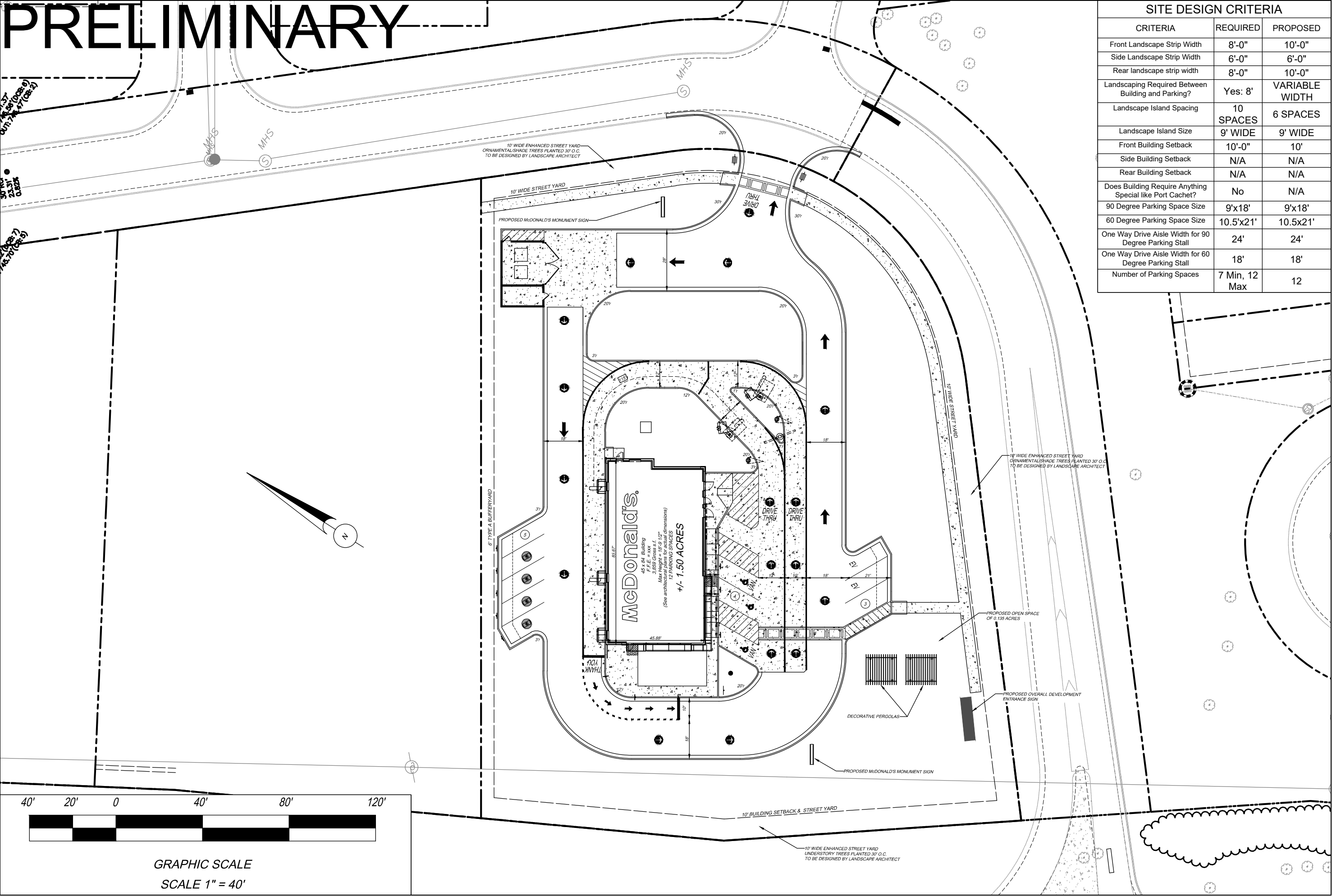


DRAWING TITLE: CONCEPTUAL SITE PLAN		PROJECT NAME: 32-1734 ~ KANNAPOLIS, NC - 3650 KANNAPOLIS PKWY		CLIENT: MCDONALD'S USA, L.L.C.	
PROJECT NO.: MCD-23123		PROJ. MGR.: WJM			
DATE: 10/06/2023		DRWN. BY: WBA			
SCALE: 1"=40'		CHKD. BY: WJM			

DRAWING NO.: MCD-23123 Option B	SHEET NO. C-0	
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EX-3: Preliminary Site Plan (12 Parking Spaces)

PRELIMINARY



SITE DESIGN CRITERIA		
CRITERIA	REQUIRED	PROPOSED
Front Landscape Strip Width	8'-0"	10'-0"
Side Landscape Strip Width	6'-0"	6'-0"
Rear landscape strip width	8'-0"	10'-0"
Landscaping Required Between Building and Parking?	Yes: 8'	VARIABLE WIDTH
Landscape Island Spacing	10 SPACES	6 SPACES
Landscape Island Size	9' WIDE	9' WIDE
Front Building Setback	10'-0"	10'
Side Building Setback	N/A	N/A
Rear Building Setback	N/A	N/A
Does Building Require Anything Special like Port Cachet?	No	N/A
90 Degree Parking Space Size	9'x18'	9'x18'
60 Degree Parking Space Size	10.5'x21'	10.5'x21'
One Way Drive Aisle Width for 90 Degree Parking Stall	24'	24'
One Way Drive Aisle Width for 60 Degree Parking Stall	18'	18'
Number of Parking Spaces	7 Min, 12 Max	12



SUBMIT TO CITY OF KANNAPOLIS	
2	10/06/2023
SUBMIT TO McDONALD'S	
1	09/12/2023
DESCRIPTION	
NO.	DATE:
4	
3	



CONCEPTUAL SITE PLAN	
PROJECT NAME:	32-1734 ~ KANNAPOLIS, NC - 3650 KANNAPOLIS PKWY
CLIENT:	McDONALD'S USA, L.L.C.

PROJECT NO.:	PROJ. MGR.:
MCD-23123	WJM
DATE:	DRWN. BY:
10/06/2023	WBA
SCALE:	CHKD. BY:
1"=40'	WJM
DRAWING NO.:	
MCD-23123 12 Parking Spaces	
SHEET NO.	
C-0	

EX-4: Preliminary Building Elevations

**AN ORDINANCE TO ADOPT THE DEVELOPMENT AGREEMENT
BY AND AMONG**

THE CITY OF KANNAPOLIS, NORTH CAROLINA

**MCDONALDS USA, LLC,
A DELAWARE LIMITED LIABILITY COMPANY**

AND

**MPV KELLSWATER, LLC,
A NORTH CAROLINA LIMITED LIABILITY COMPANY**

WHEREAS, N.C.G.S. §160D-1001 through §160D-1012 (the “Act”), authorizes municipalities to enter into development agreements with developers under the terms and conditions stated in the statutes; and

WHEREAS, the City of Kannapolis (“City”), McDonald’s USA, LLC, A Delaware limited liability company (“Developer”), and MPV Kellswater, LLC, a North Carolina limited liability company (with its successors in interest) (“Owner”), have negotiated an agreement in accord with and under the authority of the cited statutes; and

WHEREAS, a public hearing was held on February 26, 2024, as set forth in N.C.G.S. §160D-1003 providing public review of the Development Agreement, as defined below; and

WHEREAS, the City finds that the Development Agreement is consistent with the Act, the City’s adopted policy guidance, and the Current Regulations, as defined in the Development Agreement, and is reasonable and in the public interest for the reasons set forth in the Development Agreement.

NOW, THEREFORE, BE IT ORDAINED, by the Kannapolis City Council that:

1. Pursuant to the authority granted to the City by Article 10 of Chapter 160D of the North Carolina General Statutes, the City hereby adopts the Development Agreement by and among the City, the Developer and the Owner, attached hereto (the “Development Agreement”), and authorizes the Manager to execute the Development Agreement.
2. This Ordinance is effective upon adoption.

Adopted this ____ day of February, 2024.

Milton D. Hinnant, Mayor

Bridgette Bell, MMC, NCCMC
City Clerk



PO Box 27283
Richmond, VA 23261-7283

Order Confirmation

Order# 0000861882

Client: CITY OF KANNAPOLIS
Phone: 7049204300

Payer: CITY OF KANNAPOLIS
Phone: 7049204300

Account: 3143368
Address: BRIDGETTE BELL
KANNAPOLIS NC 28081

Account: 3143368
Address: BRIDGETTE BELL
KANNAPOLIS NC 28081

Sales Rep **Acct Rep** **Ordered By**
aboan aboan Pam

Fax: 7049337463
Email: ap@kannapolisnc.gov

Total Amount \$865.55
Payment Amount \$865.55

Amount Due \$0.00

Tax Amount: 0.00

Payment Meth: Credit - Debit Card

Tear Sheets **Proofs** **Affidavits** **PO Number:**
0 0 1

Ad Number **Ad Type** **Ad Size** **Color**
0000861882-01 CLS Display 2 X 5.00" \$0.00

Production Method
Creative (In-House)

Production Notes

Product and Zone **Placement**
CON Independent Trib C-Legal Ads

Position **# Inserts**
Legal Display Ads 2

Run Dates 2/16/2024, 2/23/2024

TagLine: NOTICE OF PUBLIC HEARING



NOTICE OF PUBLIC HEARING KANNAPOLIS CITY COUNCIL

Monday, February 26, 2024

NOTICE IS GIVEN that the Kannapolis City Council ("City Council") will conduct a public hearing relating to the City of Kannapolis ("City") executing a Development Agreement pursuant to North Carolina General Statutes §§ 160D-1001 *et seq* with McDonald's USA, LLC (hereinafter, "Developer") and Kellswater, LLC (hereinafter, "Owner"). Pursuant to the Agreement, Developer intends to develop a single tenant restaurant facility upon 1.598 acres of real property being Cabarrus County Tax Parcel ID# 56023847880000 (the "Property") located at or near Kannapolis Parkway and Rogers Lake Road in Kannapolis.

A copy of the proposed Agreement, including attachments, will be available for public inspection at the Office of the City Manager, located in Kannapolis City Hall, 401 Laureate Way, Kannapolis, North Carolina 28081, during regular business hours.

City Council will accept public input prior to voting on the required Development Agreement Ordinance.

The hearing will be held in City Council Chambers located at City Hall, 401 Laureate Way, Kannapolis, North Carolina 28081, beginning at or after 6:00 p.m. on February 26, 2024. At the time and place fixed for this public hearing, the City will discuss the terms of the Development Agreement and related documents and City Council will receive public comment on the Agreement.

Anyone who requires an auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in a program, service, or activity of the City of Kannapolis, should contact the office of Heather James, Human Resource Director, by phone at 704-920-4322 or by email at hjames@kannapolisnc.gov as soon as possible but no later than 48 hours before the scheduled event.

Bridgette Bell, City Clerk City of
Kannapolis
North Carolina

**CITY OF KANNAPOLIS
RESOLUTION APPROVING AN ORDINANCE
TO ADOPT THE DEVELOPMENT AGREEMENT
BY AND AMONG**

**THE CITY OF KANNAPOLIS,
MCDONALD’S LLC,
AND
MPV KELLSWATER, LLC**

WHEREAS, N.C.G.S. §160D-1001 through §160D-1012 (the “Act”), authorizes municipalities to enter into development agreements with developers under the terms and conditions stated in the statutes; and

WHEREAS, the City of Kannapolis (“City”), McDonald’s USA, LLC, A Delaware limited liability company (“Developer”), and MPV Kellswater, LLC, a North Carolina limited liability company (with its successors in interest) (“Owner”), have negotiated an agreement in accord with and under the authority of the cited statutes; and

WHEREAS, a public hearing was held on February 26, 2024, as set forth in N.C.G.S. §160D-1003 providing public review of the Development Agreement, as defined below; and

WHEREAS, the City finds that the Development Agreement is consistent with the Act, the City’s adopted policy guidance, and the Current Regulations, as defined in the Development Agreement, and is reasonable and in the public interest for the reasons set forth in the Development Agreement.

NOW, THEREFORE, BE IT ORDAINED, by the Kannapolis City Council that:

1. Pursuant to the authority granted to the City by Article 10 of Chapter 160D of the North Carolina General Statutes, the City hereby adopts the Development Agreement by the attached Ordinance.
2. This Ordinance is effective upon adoption.

Adopted this ____ day of February 2024.

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC
City Clerk



Kannapolis City Council

City Council Agenda Staff Report
February 26, 2024

To: Mayor and City Council
From: Richard Smith, Planning Director, Annette Privette Keller, Director of Communications
Subject: **RESOLUTION** - Acknowledging and Supporting U.S. Postal Service Zip Code Alternate City Line Addressing

Action Requested by City Council

Motion to approve Resolution Acknowledging and Supporting U.S. Postal Service Zip Code Alternate City Line Addressing

Required Votes to Pass Required Action

Majority Present at Meeting

Background

The City of Kannapolis has grown exponentially over the last couple of decades. One of the growing pains associated with this growth is our expansion into previously unincorporated areas that have been traditionally recognized by the United States Post Office as areas that use other jurisdictions as the postal location (i.e., Concord, Davidson, China Grove). Since the city has grown at a rate that was not necessarily anticipated by the Post Office and others, we have six postal zip codes within our corporate limits. Further, we also have the relatively unique position of being located in two different counties.

Over the years, this has caused confusion and concern related to shipments, emergency response, operating a business, and the establishment of community identity. Presently, over 20 percent of the City's population is now located in what have traditionally been considered non-Kannapolis zip code areas. It is also anticipated that by the year 2025, approximately 50 percent of the City's population will be located in non-Kannapolis zip codes.

Fortunately, Congress recognized a few years ago that this was a problem in our jurisdiction as well as others across the country. As a result, federal legislation was passed permitting multiple cities to use the same zip code designation for the entire municipal jurisdiction. As a result, it would be prudent to make current business owners aware that they can now officially use Kannapolis as their actual city since that is in fact where they are located. Existing businesses and residents now have the option of using their current city assignment (e.g., "Concord, NC") or "Kannapolis, NC" in areas that have not been traditionally recognized as Kannapolis addresses. Further, new businesses and new residents will now be assigned the address of the City of Kannapolis when they move into the City.

The Post Office, Cabarrus County, and Rowan County have recognized this legislative change and have already changed their systems; accordingly these changes are already in effective. If City Council is in agreement, staff will notify existing business owners of this change. As a result, we will have more and more addresses that are physically located within the City of Kannapolis that will now be using the City of Kannapolis as their address city as well. This should lessen the confusion over shipments as well as avoid any further confusion for emergency response.

Finally, it will also alleviate new residents being confused about what city they are located in.

Staff recommends proceeding with business owner notifications in order to reduce the confusion over addresses that are actually located in the City of Kannapolis, but are presently using other jurisdictions as their city address. If City Council is in agreement to proceed, staff will make current business owners aware of the zip code and addressing changes that are now in effect.

Fiscal Implications

None.

Policy Issues

None.

Legal Issues

None.

Recommendations and Alternate Courses of Action

1. **Motion to approve Resolution Acknowledging and Supporting U.S. Postal Service Zip Code Alternate City Line Addressing (Recommended)**
2. Table action to a future meeting.
3. Take no action.

Attachments

1. Resolution Acknowledging and Supporting the Zip Code Alternate City Line Addressing

RESOLUTION ACKNOWLEDGING AND SUPPORTING U.S. POSTAL SERVICE ZIP CODE ALTERNATE CITY LINE ADDRESSING

WHEREAS, the U.S. Postal Service Zip Code System has been in place since the 1940s as an effective and efficient process for delivering mail to businesses and residents across the Nation; and

WHEREAS, Kannapolis residents live in eight (8) different zip code areas that have been historically tied to six (6) different municipalities (Kannapolis, Concord, China Grove, Huntersville, Landis, and Davidson); and

WHEREAS, forty-eight (48) percent of the City of Kannapolis' residents live in an area with a zip code historically tied to a municipality other than Kannapolis and one-third of the City of Kannapolis' land area is in a zip code historically tied to another municipality; and

WHEREAS, eighty-one (81) percent of the City of Kannapolis' largest businesses (including Amazon, Shoe Show, Stanley Black & Decker, Gordon Food Service, Inc., Linder Machinery, Stewart-Haas Racing, and Novant Health) are located in zip code areas historically tied to another municipality; and

WHEREAS, eighty (80) percent of the City of Kannapolis' projected business and industrial growth are located in zip code areas historically tied to another municipality; and

WHEREAS, the historical zip code design has long resulted in significant confusion among new residents and businesses regarding local government service delivery, business customer communication and problem solving; and

WHEREAS, the historical zip code design has been a source of identity confusion and conflicts in the area of economic development branding and promotion; and

WHEREAS, in an attempt to resolve the problems created with the mismatch of zip codes and municipal boundaries, former Kannapolis area Congressman Richard Hudson sponsored legislation that eventually passed nationwide to create "Alternate City Line Addressing;" and

WHEREAS, Alternate City Line Addressing has been implemented (or is in the process of being implemented) by both Cabarrus and Rowan counties and will include the following components: 1) all zip codes and street addresses remain the same, 2) The U.S. Postal Service will deliver mail in regardless of what municipality is used for the address – Kannapolis residents and businesses may opt in and use "Kannapolis" or may continue to use the historically used municipality; 3) all new addresses issued will be issued for the municipality where the property is located, 4) all mapping software systems (e.g., Google) will be updated in accordance with different system protocols; and

NOW, THEREFORE, BE IT RESOLVED, that the Kannapolis City Council hereby acknowledges and supports the implementation of Alternate City Line Addressing and endorses the following additional steps:

1. City staff will send correspondence to businesses in the historically non-Kannapolis zip code areas notifying them of the implementation of Alternate City Line Addressing and encouraging the use of “Kannapolis” as the City for their postal service and marketing needs.
2. City Staff will collaborate with staffs in both Cabarrus and Rowan counties to update all mapping systems.

Adopted this 26th day of February, 2024

Milton D. Hinnant, Mayor

Bridgette Bell, MMC, NCCMC
City Clerk



Kannapolis City Council

City Council Agenda Staff Report
February 26, 2024

To: Mayor and City Council
From: Mike Legg, City Manager
Subject: **DISCUSSION** - NCRC Campus Horseshoe Property Improvements

Action Requested by City Council

Presentation and discussion only. No formal action is requested.

Required Votes to Pass Required Action

Presentation Only. No Action Required

Background

At the January 8 City Council meeting, a small group of NCRC campus partners presented a proposed "Learning and Wellness Garden" for the NCRC campus aimed at creatively connecting what is happening in the research labs on campus with the larger community. The intent of the project would be to promote healthy eating, wellness, and disease prevention while educating the community. The garden would be intended to provide a place for diverse learning from STEM education for a K-12 audience to nutrition education for medical providers to help improve health outcomes. This project is in the early stages of discussion and there are a number of questions that will need to be addressed by the organizers (funding for construction, funding for operations, etc.).

However, the first issue of importance is location.

The organizing group has indicated a desire to locate this project on 1-2 acres of the 9.48-acre property between City Hall and the Core Lab Building (commonly referred to as the "Horseshoe Property"). This property was donated to the City by Castle and Cooke in 2021. Its primary use has been for festivals and event such as Jiggy with the Piggy, as well as unorganized leisure activities like kite flying and pick-up soccer.

This property was originally contemplated by Castle and Cooke as an urban park to complement the greater NCRC project. This original plan; prepared by Castle and Cooke; included sunken gardens, extensive landscaping and an orchid conservatory, with an approximate cost of \$8 million (in 2009; probably \$12 million+ today). By comparison, Romare Bearden Park next to the Knights Ballpark in Uptown Charlotte had a \$10 million cost in 2013 (probably \$15 million today). Romare Bearden Park is slightly smaller (about 6 acres) but is probably similar to what was originally envisioned at the time of the initial NCRC planning process.

When the NCRC expansion stalled after the 2007-08 great recession, the idea of a park at this location was put on hold. The development of the property for a park has been considered as part of two City Council planning retreats with limited support: in 2018 (27th out of 48 major projects) and in 2021 (40th out of 58 major projects). The project is currently not in the draft Imagine Kannapolis Strategic Plan, so any City funding needed to launch this project now would need to be addressed if it were expected

within the next 5 years. The draft 2024 Parks and Recreation Master Plan currently contemplates the property as general open space.

Of course, past discussions about a potential project on this site did not consider outside partnerships like the NCSU Learning and Wellness Garden proposal. Also, the City didn't control it until 2021 (although the idea of a donation had been discussed for several years prior). This may paint this project in a different light for City Council.

If City Council had a desire to move forward with a physical improvement project on this property, it is staff's recommendation that the following things should occur: 1) add the project to the current Strategic Plan draft prior to its expected adoption in October 2024, 2) add the park to the Parks and Recreation Master Plan as more than just open space, 3) fund the completion of a preliminary site design to determine how (or if) the Learning and Wellness Garden project can fit in a larger plan for the property.

Other off-campus sites are possibilities for the NCSU project but it appears the desire is to have it constructed on the NCRC campus. There are other properties that might work on the NCRC but those are owned by either Castle and Cooke or Insite so a land acquisition would be necessary.

Fiscal Implications

None.

Policy Issues

None.

Legal Issues

None.

Recommendations and Alternate Courses of Action

Presentation and discussion only. No formal action is requested.

Attachments

None