



**WORK SESSION
ACTION AGENDA
KANNAPOLIS CITY HALL
401 LAUREATE WAY, KANNAPOLIS, NC
SEPTEMBER 9, 2024
4:30 PM**

Please Turn off Cell Phones or Place on Silent Mode.

CALL TO ORDER AND WELCOME

MOMENT OF SILENT PRAYER AND PLEDGE OF ALLEGIANCE

COMMUNITY ORGANIZATION AND CITY DEPARTMENT SPOTLIGHT

- A. Community Organization Spotlight: Rowan-Cabarrus Community College (Dr. Carol Spalding, RCCC President)
- B. City Department/Citizen Board: Parks & Recreation Department and Commission (Gary Mills, Parks & Recreation Director)

ADOPTION OF AGENDA - Motion to Adopt Agenda or make revisions

PROCLAMATIONS

- A. National Day of Recognition & Remembrance 9/11 (Darrell Hinnant, Mayor)

CONSENT AGENDA - Motion to Adopt Consent Agenda or make revisions

- A. **BUDGET AMENDMENT #25-09** - Appropriating Cash Reserves for a Workers Compensation Settlement **APPROVED UNANIMOUS** (Kristin Jones, Assistant to the City Manager)
- B. **BUDGET AMENDMENT #25-10** - Appropriating Cash Reserves in the Transit Fund for Additional Bus Stops **APPROVED UNANIMOUS** (Wilmer Melton, Assistant City Manager, Kristin Jones, Assistant to the City Manager)

BUSINESS AGENDA

- A. **BUDGET AMENDMENT #25-06** - Appropriating Cash Reserves for Initial Planning and Design Concepts for the Revitalization of Midway **APPROVED 4-3 VOTE** (Mike Legg, City Manager, Irene Wong, Economic & Community Development Director, Richard Smith, Planning Director)
- B. **BUDGET AMENDMENT #25-12** - Appropriating Cash Reserves for the first year funding set aside for a Cultural Arts Facility/History Museum **APPROVED**

UNANIMOUS (Mike Legg, City Manager)

- C. **BUDGET AMENDMENT #25-11** - Appropriating cash reserves for the first year funding set aside for future downtown economic development efforts **APPROVED**

UNANIMOUS (Mike Legg, City Manager)

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 and G.S. 143.318.11 (a) (5) for discussing the negotiating position regarding the acquisition of real property (Mayor Pro tem Wilson)

MOTION TO ADJOURN

ADA Notice

In accordance with Title II of the Americans with Disabilities Act (ADA), any person requiring an accommodation to participate in a function or program of the City of Kannapolis should contact Daniel Jenkins, Assistant Human Resources Director & ADA Coordinator by phone at 704-920-4312, email adacoordinator@kannapolisnc.gov, or in person at Kannapolis City Hall as soon as possible, but not later than forty-eight (48) hours prior.



Kannapolis
Agenda Staff Report
September 9, 2024

To: Mayor and City Council
From: Dr. Carol Spalding, RCCC President
Subject: Community Organization Spotlight: Rowan-Cabarrus Community College

Action Requested by City Council

Presentation

Required Votes to Pass Required Action

Background

Dr. Carol Spalding will give an update on the Rowan-Cabarrus Community College

Fiscal Implications

Policy Issues

Legal Issues

Recommendations and Alternate Courses of Action

Attachments

None



Kannapolis
Agenda Staff Report
September 9, 2024

To: Mayor and City Council
From: Gary Mills, Parks & Recreation Director
Subject: City Department/Citizen Board: Parks & Recreation Department and Commission

Action Requested by City Council

Presentation

Required Votes to Pass Required Action

Background

Parks & Recreation Director Gary Mills will give an update on the Parks & Recreation Department and the Commission.

Fiscal Implications

Policy Issues

Legal Issues

Recommendations and Alternate Courses of Action

Attachments

None



***Office of the Mayor
KANNAPOLIS, NORTH CAROLINA
P R O C L A M A T I O N
“National Day of Recognition and Remembrance”
23rd Anniversary of September 11, 2001***

WHEREAS, the events of September 11, 2001, irrevocably changed the lives of victims’ families and friends, survivors, first responders, rescue and recovery workers, volunteers, and millions of Americans and people around the world, and

WHEREAS, in 2001, our Nation, united under God, made an unbreakable promise never to forget the nearly 3,000 innocent Americans who were senselessly killed on September 11. In an unprovoked and senseless act of terrorism, four civilian aircrafts were hijacked on September 11, 2001, and crashed in New York City, Pennsylvania and the Pentagon, resulting in a momentous loss of innocent U.S. lives of all heritages, and

WHEREAS, as we recall the images of our American Flag raised from the ashes of Ground Zero and the Pentagon, we are reminded that good triumphs over evil. We recommit ourselves to fortifying our cherished American values so that future generations will know in their souls that the United States is the land of the free and the home of the brave, and

WHEREAS, on this Patriot Day, we commemorate the lives of those who perished on September 11, 2001, we pray for the families who carry on their legacies, and we honor the unmatched bravery of our Nation’s first responders. We also commend those who, in the days and years following the attack, answered the call to serve our country and continue to risk their lives in defense of the matchless blessings of freedom.

NOW, THEREFORE, I MILTON D. HINNANT, Mayor of the City of Kannapolis, by virtue of the authority vested in me as Mayor, along with the Kannapolis City Council do proclaim in tribute to all the victims, and the many who rose in service to the September 11 terrorist attacks, observe September 11, 2024, as “***National Day of Recognition and Remembrance***”.

FURTHERMORE, I call upon the citizens to participate in community service in honor of those our Nation lost, to observe this day with appropriate ceremonies and activities, including remembrance services, and to observe a moment of silence beginning at 8:46 a.m. Eastern Daylight Time to honor the innocent victims who perished because of the terrorist attacks of September 11, 2001.



IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the City of Kannapolis to be affixed this 9th day of September 2024.

Milton D. Hinnant



Kannapolis
Agenda Staff Report
September 9, 2024

To: Mayor and City Council
From: Kristin Jones, Assistant to the City Manager
Subject: **BUDGET AMENDMENT #25-09** - Appropriating Cash Reserves for a Workers Compensation Settlement **APPROVED UNANIMOUS**

Action Requested by City Council

Approve budget amendment #25-09 which appropriates cash reserves for a workers' compensation settlement authority.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

The City participated in a workers' compensation mediation in late August. At the last closed session, City Council gave City staff the authority to approve mediation for up to \$225,000. The mediation was settled at \$150,000. This budget amendment transfers funds in this amount to the Insurance and Risk Fund for this settlement payment.

Fiscal Implications

This budget amendment appropriates fund balance in the General Fund in the amount of \$150,000 and transfers this to the Insurance and Workers Compensation Fund where the settlement payment will be accounted for.

Policy Issues

None.

Legal Issues

None.

Recommendations and Alternate Courses of Action

1. **Motion to approve budget amendment #25-09 which appropriates cash reserves for a workers' compensation settlement (recommended).**
2. Take no action.
3. Table to a future meeting.

Attachments

1. Budget Amendment #25-09 Workers Comp Settlement

**ORDINANCE AMENDING BUDGET FOR THE
CITY OF KANNAPOLIS, NORTH CAROLINA
FOR THE FISCAL YEAR BEGINNING JULY 1, 2024
AND ENDING JUNE 30, 2025
Amendment # 25-09**

BE IT ORDAINED by the City Council of the City of Kannapolis, North Carolina meeting in open session this day September 9th 2024, that the following amendment to the Budget Ordinance for the City of Kannapolis, North Carolina for the Fiscal Year beginning July 1, 2024, and ending June 30, 2025, is hereby adopted:

Description: This budget amendment appropriates funding for workers compensation settlement for \$150,000.

SECTION I– GENERAL FUND

Revenue:	Increase: Fund Balance Appropriation Revenue: 19900-39900	\$ 150,000
Expenditure:	Increase: Transfer to Other Funds: Insurance and Risk Expenditure: 19000-57700	\$ 150,000

SECTION II– INSURANCE AND RISK FUND

Revenue:	Increase: Transfer from General Fund Revenue: 99000-39200	\$ 150,000
Expenditure:	Increase: Workers Comp. Insurance Claims Expenditure: 90100-42100	\$150,000

This ordinance is approved and adopted on this 9th day of September 2024.

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC
City Clerk



Kannapolis
 Agenda Staff Report
 September 9, 2024

To: Mayor and City Council
From: Wilmer Melton, Assistant City Manager, Kristin Jones, Assistant to the City Manager
Subject: **BUDGET AMENDMENT #25-10 - Appropriating Cash Reserves in the Transit Fund for Additional Bus Stops APPROVED UNANIMOUS**

Action Requested by City Council

Motion to approve budget amendment #25-10 that appropriates cash reserves in the Transit Fund for the City's local match for the purchase of additional bus stops.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

This budget amendment budgets the local funding needed for additional bus stops. NCDOT/FTA contacted Transit team in May to explain they had confirmed with Cabarrus and Rowan counties that they would not be using their necessary funds, and that the 5339 and ARPA funds were scheduled to lapse and be returned to the federal government if they were not otherwise redistributed within the UZA between Rider and Salisbury. So, this budget amendment appropriates the local funds for additional bus stops (\$9,044.40 for Kannapolis).

<u>Grant</u>	<u>Grant Total</u>	<u>Federal Aid</u>	<u>Concord Share</u>	<u>Kannapolis Share</u>
ARPA / Operating Assistance NC-2024-026-00 (100/0)	334,342.00	334,342.00	-	-
5339 Bus and Bus Facilities NC-2024-027-00 (80/10/10)	90,444.00	72,355.20	9,044.40	9,044.40
			9,044.40	9,044.40

Fiscal Implications

An appropriation of fund balance is needed to account for this local match.

Policy Issues

None.

Legal Issues

None.

Recommendations and Alternate Courses of Action

1. **Motion to approve budget amendment #25-10 that appropriates cash reserves in the Transit Fund for the City's local match for the purchase of additional bus stops (recommended).**
2. Table to a future meeting.
3. Take no action.

Attachments

1. Budget Amendment for Transit Bus Stops

**ORDINANCE AMENDING BUDGET FOR THE
CITY OF KANNAPOLIS, NORTH CAROLINA
FOR THE FISCAL YEAR BEGINNING JULY 1, 2024, AND ENDING JUNE 30, 2025
Amendment # 25-10**

BE IT ORDAINED by the City Council of the City of Kannapolis, North Carolina meeting in open session this 9th day of September 2024, that the following amendment to the Budget Ordinance for the City of Kannapolis, North Carolina for the Fiscal Year beginning July 1, 2024, and ending June 30, 2025, is hereby adopted:

Description: This budget amendment budgets the local funding needed for additional bus stops. NCDOT/FTA contacted Transit team in May to explain they had confirmed with Cabarrus and Rowan counties that they would not be using their necessary funds, and that the 5339 and ARPA funds were scheduled to lapse and be returned to the federal government if they were not otherwise redistributed within the UZA between Rider and Salisbury. So, this budget amendment appropriates the local funds for additional bus stops.

<u>Grant</u>	<u>Grant Total</u>	<u>Federal Aid</u>	<u>Concord Share</u>	<u>Kannapolis Share</u>
ARPA / Operating Assistance NC-2024-026-00 (100/0)	334,342.00	334,342.00	-	-
5339 Bus and Bus Facilities NC-2024-027-00 (80/10/10)	90,444.00	72,355.20	9,044.40	9,044.40
			9,044.40	9,044.40

SECTION I – Transit Fund

Revenue:	Increase: Fund Balance Appropriation Revenue: 77500-39900	\$9,045
Expenditure:	Increase: Contracted Services Expenditure: 77500-48000	\$9,045

This ordinance is approved and adopted on this 9^h day of September 2024.

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC
City Clerk



Kannapolis
Agenda Staff Report
September 9, 2024

To: Mayor and City Council

From: Mike Legg, City Manager, Irene Wong, Economic & Community Development Director, Richard Smith, Planning Director

Subject: **BUDGET AMENDMENT #25-06** - Appropriating Cash Reserves for Initial Planning and Design Concepts for the Revitalization of Midway **APPROVED 4-3 VOTE**

Action Requested by City Council

Approve budget amendment #25-06 which appropriates cash reserves for initial planning and design concepts for the revitalization of Midway.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

This budget amendment appropriates funding of \$250,000 for planning and design for the Midway Revitalization Project. A capital project fund is set up for this project due to its anticipated cost, its spanning over multiple fiscal years and the need to potentially issue new debt related to this project. CDBG funds may also be used for this project. These initial funds will establish the financial resources to fully define the project and potentially begin initial design work or other activities. It is anticipated that additional funding will be required in future budget years to complete the project.

This project is a large capital project that spans over multiple fiscal years, may have debt proceeds or outside funding (grants) and therefore will be set up in a separate capital project fund.

Significant professional services are needed to put together this initial revitalization strategy. These include land designers, architects, and economists. However, it is not contemplated that these funds will all be used in the initial planning stages; nor is it contemplated that these funds will be used for one single professional consultant.

At the meeting, Staff will present a recommended implementation strategy and timeline for this project.

Fiscal Implications

This funding capacity was included in the adopted FY 25 Budget. This Budget Amendment is the next step in the budget implementation.

An appropriation of fund balance is required to fund the initial planning and design costs in the amount of \$250,000. This funding is then transferred to a capital project fund set up specifically for the Midway Revitalization efforts. In the future, should this project proceed, these funds may be reimbursed to the City's cash reserves via debt proceeds.

Policy Issues

None.

Legal Issues

None.

Recommendations and Alternate Courses of Action

1. **Motion to approve budget amendment #25-06 which appropriates cash reserves for initial planning and design concepts for the revitalization of Midway (recommended).**
2. Take no action.
3. Table to a future meeting.

Attachments

1. Budget Amendment #25-06 (Midway Revitalization) 9-9-24

**ORDINANCE AMENDING BUDGET FOR THE
CITY OF KANNAPOLIS, NORTH CAROLINA
FOR THE FISCAL YEAR BEGINNING JULY 1, 2024
AND ENDING JUNE 30, 2025
Amendment # 25-06**

BE IT ORDAINED by the City Council of the City of Kannapolis, North Carolina meeting in open session this 9th of September 2024, that the following amendment to the Budget Ordinance for the City of Kannapolis, North Carolina for the Fiscal Year beginning July 1, 2024, and ending June 30, 2025, is hereby adopted:

Description: This budget amendment appropriates funding of \$250,000 for planning and design for the Midway Revitalization Project. A capital project fund is set up for this project due to its anticipated cost, its spanning over multiple fiscal years and the need to potentially issue new debt related to this project. CDBG funds may also be used for this project. These initial funds will establish the financial resources to fully define the project and potentially begin initial design work or other activities. It is anticipated that additional funding will be required in future budget years to complete the project.

SECTION I– GENERAL FUND

Revenue:	Increase: Fund Balance Appropriation Revenue: 19900-39900	\$ 250,000
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Expenditure:	Increase: Transfer to Capital Project Fund Expenditure: 19000-57200	\$ 250,000
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SECTION II– MIDWAY REVITALIZATION EFFORTS (FUND 236)

Revenue:	Increase: Transfer from the General Fund Revenue: 23690-39200	\$ 250,000
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Expenditure:	Increase: Midway: Contracted Services Expenditure: 23690-48000	\$ 250,000
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This ordinance is approved and adopted on this 9th day of September 2024.

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC
City Clerk



Kannapolis
Agenda Staff Report
September 9, 2024

To: Mayor and City Council
From: Mike Legg, City Manager
Subject: **BUDGET AMENDMENT #25-12** - Appropriating Cash Reserves for the first year funding set aside for a Cultural Arts Facility/History Museum **APPROVED UNANIMOUS**

Action Requested by City Council

Motion to approve Budget Amendment #25-12 which appropriates cash reserves for the first year funding set aside for a Cultural Arts Facility/History Museum.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

To begin implementation of the Strategic Plan projects included in the projected 5-year financial plan, a number of budget amendments are necessary. This budget amendment appropriates capital project funds in the amount of \$746,115 - which represents 84% of the value of one cent on the FY 2025 tax rate (\$888,232) - to establish initial funding for a Cultural Arts Facility/History Museum. The intent is to set aside these funds for a yet-to-be defined project. A portion of these funds will be used for initial project planning activities. The majority of this funding will be a set aside amount for future capital expenditures to advance the project. It is anticipated that additional funding, including the potential for issuance of new debt, will be required in future budget years to complete the project.

At the meeting, Staff will present a recommended implementation strategy and timeline for this project.

Fiscal Implications

This funding capacity was included in the adopted FY 25 Budget. This Budget Amendment is the next step in the budget implementation.

Policy Issues

None.

Legal Issues

None.

Recommendations and Alternate Courses of Action

1. Motion to approve Budget Amendment #25-12 which appropriates cash reserves for the first year funding set aside for a Cultural Arts Facility/History Museum (Recommended).
2. Table the action to a future meeting.
3. Take no action.

Attachments

1. Budget Amendment #25-12 (Cultural Arts-History Museum) 9-9-24

**ORDINANCE AMENDING BUDGET FOR THE
CITY OF KANNAPOLIS, NORTH CAROLINA
FOR THE FISCAL YEAR BEGINNING JULY 1, 2024
AND ENDING JUNE 30, 2025
Amendment # 25-12**

BE IT ORDAINED by the City Council of the City of Kannapolis, North Carolina meeting in open session this 9th day of September, 2024, that the following amendment to the Budget Ordinance for the City of Kannapolis, North Carolina for the Fiscal Year beginning July 1, 2024, and ending June 30, 2025, is hereby adopted:

Description: This budget amendment budgets the following capital project funds for:

- \$746,115 which as of this Budget Amendment equals 84% of one penny value on the tax rate (\$888,232) to establish initial funding for a cultural arts facility/history museum. Additional funding will be required in future budget years to complete the project.
- \$888,232 which as of this Budget Amendment adoption equals 100% of one penny value on the tax rate (\$888,232) to establish a project fund for downtown economic development efforts, specifically related to a potential public-private partnership on property commonly referred to as “Block 6.”

SECTION I– CULTURAL ARTS FACILITY/ HISTORY MUSEUM (Fund 241)

Revenue:	Increase: Transfer from the General Fund	\$ 746,115
	Revenue: 241090-39200	

Expenditure:	Increase: Contracted Services: Cultural Arts/History Museum	\$ 746,115
	Expenditure: 241090-48000	

SECTION II– CULTURAL ARTS FACILITY/ HISTORY MUSEUM (Fund 242)

Revenue:	Increase: Transfer from the General Fund	\$ 888,232
	Revenue: 242090-39200	

Expenditure:	Increase: Developer Contribution: Block 6	\$ 888,232
	Expenditure: 242090-43406	

This ordinance is approved and adopted on this 9th day of September, 2024.

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC
City Clerk



Kannapolis
Agenda Staff Report
September 9, 2024

To: Mayor and City Council
From: Mike Legg, City Manager
Subject: **BUDGET AMENDMENT #25-11** - Appropriating cash reserves for the first year funding set aside for future downtown economic development efforts **APPROVED UNANIMOUS**

Action Requested by City Council

Motion to approve Budget Amendment #25-11 which appropriates cash reserves for the first year funding set aside for future downtown economic development efforts.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

To begin implementation of the Strategic Plan projects included in the projected 5-year financial plan, a number of budget amendments are necessary. This budget amendment includes capital project funds of \$888,232 - which represents one cent on the FY 2025 tax rate - to establish a project fund for future downtown economic development efforts.

The intent is to set aside these funds for a yet-to-be defined downtown economic development project. It is anticipated that additional funding will be required in future budget years to complete the project. This will likely include issuing some level of new debt.

Should the contemplated project not materialize in the future, these funds can be reappropriated for other uses at the discretion of City Council.

Fiscal Implications

This funding capacity was included in the adopted FY 25 Budget. This Budget Amendment is the next step in the budget implementation.

This particular budget amendment is largely an accounting exercise with numerous future decisions to be discussed and decided by City Council before the funds are actually expended.

Policy Issues

None.

Legal Issues

None.

Recommendations and Alternate Courses of Action

1. **Motion to approve Budget Amendment #25-11 which appropriates cash reserves for the first year funding set aside for future downtown economic development efforts (recommended)**
2. Table the action to a future meeting.
3. Take no action.

Attachments

1. Strategic Plan Multi-Project Capital Fund (Downtown Development) 9-9-24

**ORDINANCE AMENDING BUDGET FOR THE
CITY OF KANNAPOLIS, NORTH CAROLINA
FOR THE FISCAL YEAR BEGINNING JULY 1, 2024
AND ENDING JUNE 30, 2025
Amendment # 25-11**

BE IT ORDAINED by the City Council of the City of Kannapolis, North Carolina meeting in open session this 9th day of September 2024, that the following amendment to the Budget Ordinance for the City of Kannapolis, North Carolina for the Fiscal Year beginning July 1, 2024, and ending June 30, 2025, is hereby adopted:

Description: This budget amendment includes capital project funds of \$888,232 - which represents one cent on the FY 2025 tax rate - to establish a project fund for future downtown economic development efforts. The intent is to set aside these funds for a yet-to-be defined downtown economic development project. It is anticipated that additional funding will be required in future budget years to complete the project.

DOWNTOWN ECONOMIC DEVELOPMENT (Fund 242)

Revenue:	Increase: Transfer from the General Fund Revenue: 242090-39200	\$ 888,232
Expenditure:	Increase: Developer Contribution: Block 6 Expenditure: 242090-43406	\$ 888,232

This ordinance is approved and adopted on this 9th day of September 2024.

Milton D. Hinnant, Mayor

ATTEST:

Bridgette Bell, MMC, NCCMC
City Clerk