

A G E N D A

LINCOLNTON CITY COUNCIL

September 5, 2019

7:00 p.m.

Council Chambers

City Hall

FOR YOUR CONVENIENCE A COPY OF
TONIGHT'S AGENDA
IS AVAILABLE, LOCATED TO THE
RIGHT OF THE ENTRANCE TO THE
COUNCIL CHAMBERS

*ANYONE WISHING TO SPEAK
DURING THE PUBLIC COMMENT
PORTION OF THE AGENDA
PLEASE SEE THE CITY CLERK PRIOR
TO THE MEETING TO SIGN UP
NON-AGENDA ITEMS WILL BE
DISCUSSED AND SPEAKERS WILL BE
LIMITED TO THREE (3) MINUTES
A COPY OF THE RULES FOR PUBLIC COMMENT
ARE AVAILABLE AT THE CITY CLERK'S DESK*

THANK YOU FOR ATTENDING
OUR MEETING
AND FOR YOUR INTEREST
IN THE CITY OF LINCOLNTON

A G E N D A

LINCOLNTON CITY COUNCIL

September 5, 2019

7:00 p.m.

CALL TO ORDER – Mayor Ed Hatley

PLEDGE OF ALLEGIANCE

1. Approval of Regular Agenda

2. Approval of CONSENT AGENDA:

All items placed under the Consent Agenda are considered routine, to be enacted by one motion without discussion. If a member of the Governing Body requests discussion of an item, the item will be removed from the Consent Agenda and considered separately.

3. Approval of Minutes of the Meetings –

August 1, 2019 – Regular Meeting

4. Calls to Public Hearing for October 3rd meeting:

ZMA-7-2019 – Application from Helms Security, Inc. requesting the rezoning of approximately 0.294 acres of land from Single-Family Medium Density residential District R-10 to Central Business Transitional CBT. The subject property is located at 419 East Sycamore Street (PID 00536)

5. Approval of Zoning Map Amendments

REGULAR AGENDA:

PUBLIC HEARING

ZMA-6-2019

6. Application from Jesse Claye Helms requesting the rezoning of approximately 1.472 acres of land from Office Institutional O-I to Rural Residential (R-25). The subject property is approximately 468 feet north of the intersection of Highland Drive and Buffalo Shoals Road (PID 71909)

Laura Elam, Planning Director

AGENDA
SEPTEMBER 5, 2019
Page 2

PRESENTATIONS

7. Presentation of Proclamation recognizing Constitution Week – September 17 through 23, 2019 to members of Daughters of the American Revolution – Lincolnnton Chapter

Mayor Hatley

8. Update from the Lincolnnton Tourism Development Authority

**Carol King, Chair
LTDA**

9. Update on ongoing projects: Sidewalk Project along E Pine Street, Dog Park and the Police Department

**Steve Zickefoose, City Manager
Richard Haynes, Assistant City Manager**

APPOINTMENT
(APPT-03-19)

10. Consideration of the nominees from the four area high schools and the Lincoln Charter School for the Lincolnnton Student Advisory Council

Donna Flowers, City Clerk

OTHER BUSINESS

11. Consideration of proposed Targeted Incentive Grant Program – Full Service/Full Menu restaurant

Laura Elam, Planning Director

AGENDA
SEPTEMBER 5, 2019
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OTHER BUSINESS

12. Consideration of draft Request For Proposal (RFQ) Process for Development of City-Owned Property located at 110 and 116 East Water Street

Laura Elam, Planning Director

13. Monthly Financial Report/Overtime Report

Steve Zickefoose, City Manager

PUBLIC COMMENT

Speakers will be limited to three (3) minutes to address Mayor and City Council Concerning Non-Agenda Items.

You must sign in with the City Clerk prior to the meeting to be eligible to speak.

NEWS MEDIA

ADJOURNMENT

ITEM #

1

APPROVAL

OF

REGULAR

AGENDA

ITEM #

2

APPROVAL

OF

CONSENT

AGENDA

ITEM #

3

REGULAR MEETING - AUGUST 1, 2019

The Mayor and City Council met in Regular Session on Thursday, August 1, 2019 at 7:00 p.m. in the Council Chambers of City Hall located at 114 West Sycamore Street, Lincolnton, NC.

Mayor Ed Hatley called the meeting to order. Members from American Legion Post # 30 led the Pledge of Allegiance. The following Council members were in attendance:

WHITE WATSON EADDY JETTON

Councilman Watson made the motion unanimously approved the **REGULAR AGENDA**.

Councilwoman White made the motion unanimously approved the **CONSENT AGENDA** as follows:

- Approved Minutes of the June 27th 2019 – Regular Meeting
- Approved the following Call to Public Hearing for the September 5th meeting:
ZMA-6-2019 – Application from Jesse Claye Helms requesting the rezoning of approximately 1.472 acres from Office Institutional O-I to Rural Residential (R-25). The subject property is approximately 468 feet north of the intersection

REGULAR AGENDA

PRESENTATION OF PROCLAMATION MR. LARRY CLINE ON BEHALF OF THE AMERICAN LEGION POST #30 - SEPTEMBER CENTENNIAL COMMUNITY MONTH:

Mayor Hatley called on the members in attendance from the American Legion Post # 30 to come forward so he could present a framed copy of the following proclamation:

WHEREAS, The American Legion has been a staunch advocate for veterans and their families since 1919; and

WHEREAS, The American Legion was founded on the four pillars of care for veterans, a strong National defense, Americanism, and children and youth; and

REGULAR MEETING - AUGUST 1, 2019

WHEREAS, The American Legion has played a leading role in initiatives and breakthroughs that have affected the lives of Americans in every community, from U.S. Flag code to the GI Bill; and

WHEREAS, Post 30 has fulfilled the Legion's mission since 1919 through programs such as the Rudisill-Tar Scholarship, the Student Trooper Program and Boys State. The Post also sponsored their first women's fast-pitch softball team and support Lincoln Charter School's Junior Shooting Program team. Events and ceremonies like Veterans Day and Fourth of July parades are supported by the Post; and

WHEREAS, The American Legion is celebrating its centennial in 2018-2019,

NOW, THEREFORE, I, Mayor Ed Hatley, Mayor of the City of Lincolnton, N.C., do hereby proclaim **September** as "**American Legion Centennial Month**" in Lincolnton;

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the official seal of The City of Lincolnton on this 1st day of August 2019.

Photos were taken of those American Legion post # 30 members in attendance with Mayor Hatley. Members thanked the Mayor and City Council for the work they do for the community.

CONSIDERATION OF BUDGET AMENDMENT- CAPITAL PROJECTS IN PROGRESS – SMART METERS; POLICE BUILDING:

(BA-05-19)

Steve Zickefoose. City Manager ask Council to consider adopting a budget amendment to make the necessary adjustments for moving monies for the Smart Meter Project and the Police Building renovations. The budget amendment approved a total carryover of \$ 1,705,000.00 to the Water & Sewer Fund, for the Smart Meter Project, and a carryover of \$ 1,350,000.00 from the Electric Department for the Police Building.

Councilman Eaddy made the motion unanimously approved the budget amendment as presented by the City Manager.

REGULAR MEETING - AUGUST 1, 2019

REQUEST/PETITION FROM RESIDENTS OF CRESTVIEW NEIGHBORHOOD (CRESTVIEW, TAIT AND WENDOVER DRIVE) REGARDING SPEEDING THROUGHOUT THE NEIGHBORHOOD:

Ms. Abby Swengros, 219 Rock Creek Drive, who made the original request to appear before Council was not in attendance for the meeting. The City Manager said based on Mrs. Swengros request they have been monitoring the speed limit in this area and could be ready to make a recommendation at an upcoming Council Meeting. Currently no speed bumps have been installed on City Streets, but there are other alternatives, like rumble strips that could be considered.

Councilman Eaddy made the motion unanimously approved to table this item until staff could report their findings and hold a public hearing for a possible ordinance amendment.

CONSIDERATION OF SIDEWALK ON PINE STREET:

Steve Zickefoose, City Manager, told Council that he would be in favor of extending sidewalk along East Pine Street as he feels it is a public safety issue. He said, "Staff has looked at this and this is an area that was identified in 2016, where sidewalks were necessary, it was just not budgeted." "Extending sidewalk along this area would enable a large number of pedestrians to access the neighborhood", he said.

Councilman Eaddy said based on the automobiles traveling on Pine Street, he feels pedestrian safety is an issue and putting in sidewalks would be assist with pedestrian safety in that area.

Councilman Jetton asked for clarification that sidewalk would be extended from Flint Street to Martin Luther King, Jr. Drive along East Pine Street. The City Manager confirmed that is the targeted area being considered. Councilman Jetton said, "It's forty years overdue in my opinion."

Councilman Jetton then made a motion unanimously approved to obtain pricing for sidewalk installation for this area. Councilman Watson said he feels this is a good project and would hope the cost would not exceed \$ 150,000.00

REGULAR MEETING - AUGUST 1, 2019

Mr. Zickefoose said he would come back at a future meeting to get Council approval of a contract price for this project, once quotes were received.

UPDATE ON PROPOSED DOG PARK:

Steve Zickefoose, City Manager, told Council he is working with David Ledford to obtain engineering services for a Dog Park. He has a quote for a Cadillac version which would cost \$ 200,000.00. Steve said he would like to do this project in phases with the first phase estimated to cost \$ 96,800.00.

Councilman Eaddy asked for a timeline for this project. Steve said he should be back at the September City Council meeting with an update and or approval of a contract for this project.

Councilwoman White made the motion unanimously approved to proceed with this project and bring back hard cost estimates at the September City Council meeting.

MONTHLY FINANCIAL REPORT/OVERTIME REPORT:

Steve Zickefoose, City Manager gave the following financial update:

August 2019 Council Meeting

Executive Summary

June 2019 Year-To-Date

	Budget 18-19	Actual 18-19	% of Budget	Budget 17-18	Actual 17-18	Difference
General Fund						
Fund 10 Revenues	11,800,766	10,525,582	82%	11,655,521	11,187,249	(661,667)
Fund Balance	1,051,770	-	-	964,361	-	-
	12,852,536	10,525,582		12,619,882	11,187,249	(661,667)
City Manager/Clerk	320,960	267,650		331,465	301,066	(33,415)
Human Resources	239,060	228,323		232,730	208,602	19,721
Finance	242,790	247,638		273,412	225,347	22,291
General Expense	1,057,620	875,559		942,324	848,921	26,638
General Debt Service	520,954	379,488		463,524	451,505	(72,017)
Police	3,700,970	3,131,949		4,284,770	3,889,868	(757,919)
Fire	2,240,650	2,270,550		2,099,345	1,993,043	277,507
Public Works	79,616	(28,547)		172,956	101,082	(129,629)
Street	1,251,668	758,676		1,246,268	749,942	8,734
Equipment Services	133,270	114,737		135,120	127,034	(12,297)
Solid Waste	756,798	583,884		708,328	568,420	15,464
General Services	-	-		-	-	-
Plannin/Zoning	679,060	358,168		348,794	257,194	100,973
Bus & Comm. Dev	135,000	120,470		164,960	156,854	(36,384)
Recreation	1,494,120	1,216,402		1,215,886	1,013,954	202,448
Expenses	12,852,536	10,524,949	82%	12,619,882	10,892,833	(367,885)
Difference		633			294,416	(293,782)

REGULAR MEETING - AUGUST 1, 2019

		Budget 18-19	Actual 18-19	% of Budget	Budget 17-18	Actual 17-18	Difference
Water & Sewer Fund							
Fund 61	Revenues	8,096,950	10,170,805	121%	7,449,995	8,133,917	2,036,888
	Fund Balance	281,590	-		526,653		
		8,378,540	10,170,805		7,976,648	8,133,917	2,036,888
	Water Treatment	1,502,950	1,374,962		1,508,500	1,353,423	21,540
	Dist & Collection	1,748,000	2,229,660		1,440,153	1,213,275	1,016,385
	Wastewater	1,550,100	1,299,712		1,516,650	1,328,362	(28,650)
	W & S Intangibles	3,577,490	3,513,705		3,511,345	3,458,802	54,903
	Expenses	8,378,540	8,418,039	100%	7,976,648	7,353,861	1,064,178
	Difference		1,752,767			780,056	972,711
Electric Fund							
Fund 63	Revenues	7,669,264	8,181,192	103%	7,791,714	6,834,409	1,346,784
	Fund Balance	300,000	-		1,224,483		
		7,969,264	8,181,192		9,016,197	6,834,409	1,346,784
	Electric Dept.	7,969,264	7,710,748		9,016,197	7,769,292	(58,543)
	Expenses	7,969,264	7,710,748	97%	9,016,197	7,769,292	(58,543)
	Difference		470,444			(934,883)	1,405,327
Overtime 80+ hours			411,538			420,186	(8,648)

Mayor Hatley ask Council to set a date for the state required Ethics training for elected officials. Mayr Hatley, Councilmen Watson, Eaddy and Councilwoman White all agreed to meet at City hall on Thursday, August 15th at 8:30 am to view the Ethics webinar. The City Clerk will obtain signatures and forward a copy of their completed training to the Secretary of State's Office as required.

Mayor Hatley also reminded Council of the National Night Out event that will be held Tuesday, August 6th. Those that can attend need to meet at the Lincolnton Police Department at 5:45 pm.

PUBLIC COMMENT:

No one spoke under the public comment portion of the meeting.

CLOSED SESSION:

Councilman Jetton made the motion unanimously approved to enter into Closed Session in accordance with NCGS 143-318.11(a)(1)(5) to discuss Property Acquisition.

REGULAR MEETING - AUGUST 1, 2019

Councilwoman White made the motion unanimously approved to return to Regular Session.

NEWS MEDIA:

There were no questions from the News Media.

ADJOURNMENT:

Councilman Eaddy made the motion unanimously approved to adjourn the meeting.

**DONNA C. FLOWERS, MMC
CITY CLERK**

**ED HATLEY
MAYOR**

ITEM #

4

Donna Flowers

Subject: FW: Items for September 2019 Council agenda from Planning Department
Attachments: ZMA-6-2019 - report.docx; council manager memo TIG.docx; council manager memo RFP E Water St 08.2019.docx; morp 082019.docx; sandd092019.docx

CALL TO PUBLIC HEARING

There is one call to hearing as follows:

- **ZMA-7-2019-** Application from Helms Security, Inc. requesting the rezoning of approximately 0.294 acres of land from Single-Family Medium Density Residential District R-10 to Central Business Transitional CBT. The subject property is located at 419 East Sycamore Street (PID 00536).

ITEM #

5

***NO BACK UP
NECESSARY
FOR THIS ITEM***

ITEM #

6

MEMO TO: Mayor and City Council Members

FROM: Laura Elam, Planning Director

SUBJECT: ZMA-6-2019 – Application from Jesse Helms requesting the rezoning of 1.47 acres from O-I to R-25

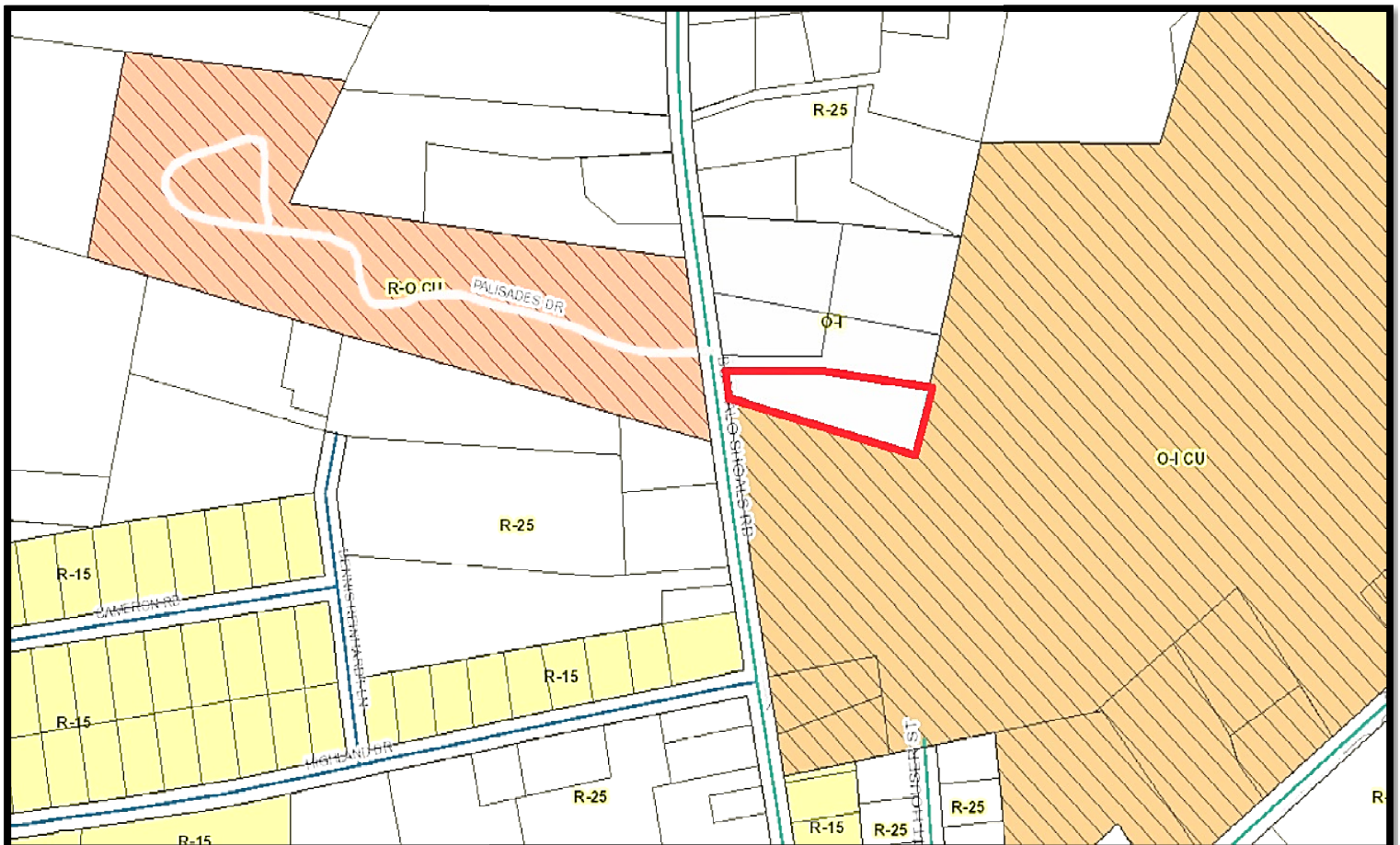
DATE: September 5, 2019

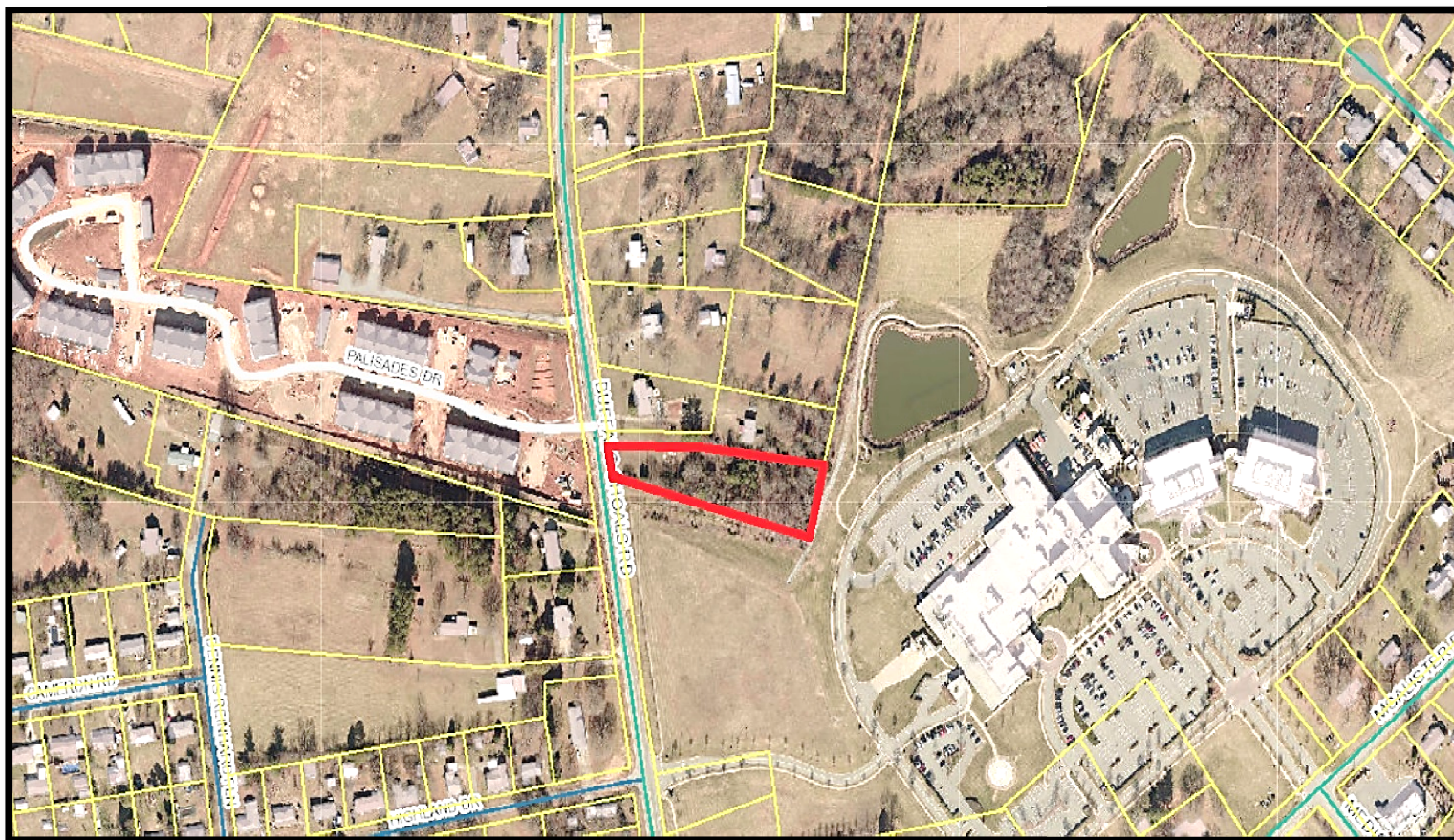
SITE AND AREA DESCRIPTION

The applicant is requesting a rezoning for a parcel totaling approximately 1.47 acres from the Office Institutional (O-I) district to the Rural Residential (R-25) district. The subject property is located on the east side of Buffalo Shoals Road across from the Palisades Apartments.

The subject property and properties to the north are zoned O-I. The property was rezoned from R-25 to O-I in 2009 at the request of the property owner. Surrounding properties are zoned rural residential, residential office and office institutional.

The subject property is vacant. Land uses in the area include single-family and multi-family homes. Atrium Health Lincoln Hospital is adjacent to the property to the east.





LAND USE PLAN

The originally adopted Lincolnnton Land Use Plan designated the subject property and all surrounding properties along this section of Buffalo Shoals Road as a Residential Suburban Planning Area. With the 2009 rezoning of the site from R-25 to O-I, the Land Use Plan was amended to designate the property within an Institutional / Office Planning Area.

COMPLIANCE WITH LAND USE PLAN

The Land Use Plan designates the subject property as an Institutional / Office Planning area. Therefore, the proposed rezoning request is not entirely consistent with the Land Use Plan.

However, staff views the request as consistent with the spirit and intent of the Land Use Plan's original designation of the area as a Residential Suburban area.

PLANNING BOARD AND STAFF RECOMMENDATION

Planning Board and Staff recommends the following three actions:

1. Approval of attached statement of consistency and reasonableness for approval of application.
2. Approval of rezoning of the property from O-I to R-25.
3. Amendment of the Land Use Plan to show the property in the Residential Suburban Planning Area.

Zoning Amendment
Staff's Proposed Statement of Consistency and Reasonableness
for **APPROVAL of Application**

Case No. ZMA-6-2019

Applicant: Jesse Helms

Parcel ID#: 71909

Location: Buffalo Shoals Road

Request: Rezone from O-I to R-25

Proposed Consistency and Reasonableness Statement:

The Lincolnton Land Use Plan designates this property as part of the Institutional-Office Planning Area. Therefore, the proposed rezoning request **is not consistent** with the Lincolnton Land Use Plan. However, the request is viewed as consistent with the spirit and intent of the Land Use Plan's original designation of this section of the Buffalo Shoals Road corridor as a Residential Suburban Planning Area. Therefore, **approval of the proposed amendment is reasonable and in the public interest.**

Zoning Amendment
Staff's Proposed Statement of Consistency and Reasonableness
for **DENIAL of Application**

Case No. ZMA-6-2019

Applicant: Jesse Helms

Parcel ID#: 71909

Location: Buffalo Shoals Road

Request: Rezone from O-I to R-25

Proposed Consistency and Reasonableness Statement:

The Lincolnton Land Use Plan designates this property as part of the Institutional-Office Planning Area. Therefore, the proposed rezoning request **is not consistent** with the Lincolnton Land Use Plan and **denial of the proposed amendment is reasonable and in the public interest.**

ITEM #

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CITY OF LINCOLNTON

CITY COUNCIL
Ed L. Hatley, Mayor
Martin A. Eaddy, Mayor Pro-Tem
Mary Frances White
Jim R. Watson
Roby Jetton



CITY MANAGER
Steve Zickefoose, MBA
szickefoose@lincolntonnc.org
CITY CLERK
Donna C. Flowers, MMC, NCCMC
donnaflowers@ci.lincolnton.nc.us
CITY ATTORNEY
Thomas J. Wilson, Jr..

PROCLAMATION Constitution Week 2019

WHEREAS, The Constitution of the United States of America, the guardian of our liberties, embodies the principles of limited government in a Republic dedicated to rule by law; and

WHEREAS, September 17, 2019, marks the two hundred and thirty-second anniversary of the framing of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS, it is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary, and to the patriotic celebrations which will commemorate it; and

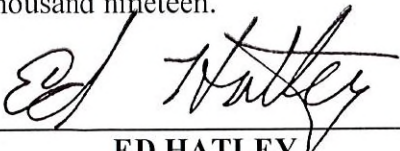
WHEREAS, Public law 915 guarantees the issuing of a proclamation each year by the president of the United States of America designating September 17th through 23rd as Constitution Week,

NOW, THEREFORE, I, Ed Hatley, by virtue of the authority vested in me as Mayor of the City of Lincolnton do hereby proclaim the week of September 17th through 23rd as

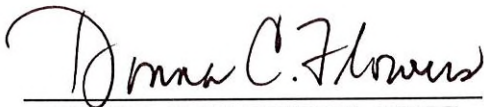
CONSTITUTION WEEK

and ask our citizens to reaffirm the ideals the Framers of the Constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Lincolnton to be affixed this 5th day of September the year of our Lord two thousand nineteen.



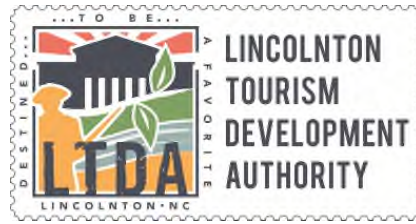
ED HATLEY
MAYOR



DONNA C. FLOWERS, MMC
CTY CLERK

ITEM #

8



SEPTEMBER 5, 2019

TO: CITY COUNCIL

FROM: LTDA

RE: ACTIVITIES AND EXPENDITURES IN 2018-2019 YEAR

The following information represents the activities and expenditures from the LTDA board during the 2018-19 year. Also included are financial reports submitted by Mr. Zickefoose during the June 4 meeting.

- Additional minor landscaping was corrected at the two 321 gateway sign locations
- The Appalachian Mural Trail presence was renewed
- Solar lighting is being/has been installed to illuminate the 321 gateway signs
- Advertising funds were approved for Comic Con
- Wayfinding signs featuring downtown points of interest have been installed on the hwy 321 exit 24 ramps

Some unfinished business items will be discussed at our upcoming board meeting to include Historical Association and Apple Festival requests, possible addition of a bike rack for FF Park, continuation of Our State Magazine advertising, and a presentation on digital marketing.



LTDA PROJECTS

FIRST FEDERAL PARK

LINCOLN CULTURAL CENTER FRONT DIGITAL SIGN

HWY 321 GATEWAY SIGNS

KEEVER DRUG MURAL ON S ACADEMY ST (PARTIAL PAYMENT)

LTDA LOGO

LINCOLN QUILT TRAIL LOGO AND START UP FUNDING

BETTY ROSS PARK RIVER LAUNCH AND FISHING PIER

BATTLE OF RAMSOUR'S MILL MONUMENT AND BATTLEFIELD SIGNAGE

CITY CHRISTMAS TREE (HALF PAYMENT)

CITY HOLIDAY BANNERS

THE LINC – MOBILE TOWN GUIDE

APPALACHIAN MURAL TRAIL PRESENCE

CITY WALKING TOUR BOOKLET

OUR STATE MAGAZINE ADVERTISING

QUILT TRAIL LOGO MURAL – TO BE INSTALLED ON MACK HARVEY BUILDING, N
ASPEN ST

ADDITIONAL MINOR LANDSCAPING AROUND GATEWAY SIGNS

RENEWED APPALACHIAN TRAIL PRESENCE

LIGHTING OF GATEWAY SIGNS

ADVERTISING FUNDS FOR COMIC CON

DOWNTOWN ORIENTED WAYFINDING SIGNS ON EXIT 24 RAMPS

City of Lincoln
Occupancy Tax Analysis
Effective July 2002

Period Collected For	Prior Year	(23-80-3270-100)		(23-80-3831-300)		(23-80-1100-000) Cumulative Total	Tourism Related		Promotions				
		Current Year	Interest Income	Total Expense	1/3rd of Revenue		Expenses	Balance	2/3rd of Revenue	Expenses	Balance		
2002-2003		25,787.98	\$ 78.81			25,866.79	\$ 8,622.26		\$ 8,622.26	\$ 17,244.53		\$ 17,244.53	
2003-2004		42,576.31	186.36			68,629.46	14,254.22		22,876.48	28,508.45		45,752.98	
2004-2005		45,946.28	1,356.79			115,932.53	15,767.69		38,644.17	31,535.38		77,288.36	
2005-2006		55,026.13	4,666.30			175,624.96	19,897.48		58,541.65	39,794.95		117,083.31	
2006-2007		61,572.99	8,677.92			245,875.87	23,416.97		81,958.62	46,833.94		163,917.25	
2007-2008		57,026.60	7,822.72			310,725.19	21,616.44		103,575.06	43,232.88		207,150.13	
2008-2009		44,394.68	1,647.79	(2,000.00)		354,767.66	15,347.49		118,922.55	30,694.98	(2,000.00)	235,845.11	
2009-2010		50,526.05	2,413.51	(7,500.00)		400,207.22	17,646.52		136,569.07	35,293.04	(7,500.00)	263,638.15	
2010-2011		41,548.33	3,172.86	(7,650.00)		437,278.41	14,907.06		151,476.13	29,814.13	(7,650.00)	285,802.28	
2011-2012		54,379.17	1,229.72	(98,050.00)		394,837.30	18,536.30		170,012.43	37,072.59	(98,050.00)	224,824.87	
2012-2013		78,832.14	628.39	(94,600.00)		379,697.83	26,486.84		196,499.27	52,973.69	(94,600.00)	183,198.56	
2013-2014		85,635.50	454.58	(82,400.00)		383,387.91	28,696.69		225,195.96	57,393.39	(82,400.00)	158,191.95	
2014-2015		109,122.35	384.70	(79,110.00)		413,784.96	36,502.35		261,698.31	73,004.70	(79,110.00)	152,086.65	
2015-2016		106,187.45	529.22	(284,750.00)		235,751.63	35,572.22	(220,000.00)	77,270.53	71,144.45	(64,750.00)	158,481.10	
2016-2017		115,543.12	1,140.16	(43,884.30)		308,550.61	38,894.43	-	116,164.96	77,788.85	(43,884.30)	192,385.65	
2017-2018		118,059.51	3,458.63	(83,272.95)		346,795.80	40,506.05	-	156,671.01	81,012.09	(83,272.95)	156,220.24	
2018-2019 June	118,059.51	136,798.21	5,192.33	(103,991.00)		384,795.34	47,330.18	(61,600.00)	142,401.19	94,660.36	(42,391.00)	244,655.01	
							Less Budget Balance		(34,634.20)				(20,702.00)
							Fund Balance Available		107,766.99				223,953.01

Promote travel and tourism- to advertise or market an area or activity, publish and distribute pamphlets and other materials, conduct market research, or engage in similar promotional activities that attract tourists or business travelers to the area. This term includes administrative expenses incurred in engaging in the listed activities.

Tourism related expenditures- expenditures that, in the judgement of the LTDA, are designed to increase the use of lodging facilities in the City or to attract tourists or business travelers to the City. The term includes tourism-related capital expenditures.

LINCOLN TOWN TOURISM DEVELOPMENT AUTHORITY
Budgeted Accounts Worksheet
OCCUPANCY TAX FUND
2019-20

<u>Account Description</u>	<u>Type</u>	<u>Original Budget Prior Year</u>	<u>Amended Prior Year Budget</u>	<u>Carryover Projects for 19-20</u>	<u>2019-20 Request</u>	<u>2019-20 Approved</u>	<u>Adjustment +/-</u>	<u>Amended Budget</u>
23-80-6000-200 SUPPLIES	P	500	500	-	500	500	-	500.00
23-80-6000-370 RESERVE FOR PROMOTIONS	P	64,717	47,177	-	54,514	54,514	-	54,514.00
23-80-6001-505 RESERVED FOR TOURISM RELATED	T	36,333	34,634	-	39,996	39,996	-	39,996.00
23-80-6000-395 TRAINING/BUSINESS/DUES	P	4,000	4,000	-	4,000	4,000	-	4,000.00
23-80-6000-499 SURETY BOND	P	450	450	-	450	450	-	450.00
23-80-6000-500 SIGN 321	P	18,728	20,427	-	-	-	-	-
23-80-6000-502 BANNERS/LOGO/QUILT SQUARES	P	-	-	-	-	-	-	-
23-80-6000-503 RIVER LAUNCH PROJECT	T	61,600	61,600	-	-	-	-	-
23-80-6000-621 OUR STATE MAGAZINE	P	-	15,540	-	15,540	15,540	-	15,540.00
23-80-6000-611 APPLE FESTIVAL	P	3,000	3,000	-	3,000	3,000	-	3,000.00
23-80-6000-612 ARTS COUNCIL	P	-	2,000	-	2,000	2,000	-	2,000.00
23-80-6000-615 HISTORICAL ASSOC	P	-	-	-	-	-	-	-
23-80-6000-619 DDA	P	-	-	-	-	-	-	-
23-80-6000-604 COMMUNITIES IN SCHOOLS	P	-	-	-	-	-	-	-
* TOTALS FOR : 6000 - OCCUPANCY TAX DEPT		189,328	189,328	-	120,000	120,000	-	120,000.00
* BUDGET TOTALS FOR EXPENSES *		189,328	189,328	-	120,000	120,000	-	120,000.00

REVENUE

23-80-3270-100 LOCAL OCCUPANCY TAX 118,000
23-80-3831-300 INTEREST ON CHECKING 2,000
23-80-3991-900 APPROPRIATION FUND BALANCE -

FUNDS FOR TOURISM RELATED- \$112,000 BUDGET 39,996
FUNDS FOR PROMOTIONS- \$112,000 BUDGET 80,004

UNAPPROPRIATED FUND BALANCE AVAILABLE- TOURISM RELATED 103,000
UNAPPROPRIATED FUND BALANCE AVAILABLE- PROMOTE TRAVEL 185,000

P= Promote travel and tourism- to advertise or market an area or activity, publish and distribute pamphlets and other materials, conduct market research, or engage in similar promotional activities that attract tourists or business travelers to the area. This includes administrative expenses incurred in engaging in the listed activities.

T= Tourism related- expenditures that, in the judgement of the LTDA, are designed to increase the use of lodging facilities in the City or to attract tourists or business travelers to the City. The term includes tourism-related capital expenditures.

ITEM #

9

***NO BACK UP
NECESSARY
FOR THIS ITEM***

ITEM #

10

2019 - 2020
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ITEM #

11

MEMO TO: Mayor and City Council Members
FROM: Laura Elam, Planning Director
SUBJECT: Proposed Targeted Incentive Program
DATE: September 5, 2019

INTRODUCTION

City staff is proposing an additional incentive program for downtown. This program would differ from our current incentive programs in that the funding would be in the form of a forgivable loan, rather than a grant, and it would be targeted to just one type of development: full service/ full menu restaurants.

SUMMARY OF PROGRAM

The program would:

- Assist with building renovations necessary for:
 - new full service/full menu restaurants
 - expansions of existing full service/full menu restaurants or
 - expansions of existing limited service / limited menu restaurants into full service/full menu restaurants
- Provide up to 50% of the total cost of eligible expenditures of approved projects up to \$200,000

ELIGIBLE RESTAURANTS

- New full service/full menu restaurants in downtown Lincolnton
- Existing restaurants in downtown Lincolnton that expand in one or both of the following ways:
 - Renovation of an existing restaurant's kitchen that is not a full commercial kitchen* in order to offer a full menu
 - Renovation or expansion of an existing full service/full menu restaurant's physical space in order to expand the restaurant's capacityExamples: expanding into a larger area or creating rooftop dining space for restaurant guests
- A full service /full menu restaurant would be defined as a restaurant that:
 - Includes a full commercial kitchen*,
 - Features a menu with a broad range of food and beverage options,
 - Includes at least 50 seats for guests to dine on the premises, and
 - Is open for business to the general public during regular hours at least 6 days and 40 hours per week.

*A full commercial kitchen would be defined as a kitchen with a commercial range and/or oven with an appropriate exhaust hood or other form of appropriate exhaust system and appropriately sized grease interceptor

PROGRAM TERMS

- Funding is limited to a maximum of \$200,000 per qualifying restaurant and requires a 1:1 match by the property owner.
- The application must be approved prior to opening or expansion of the restaurant.
- The proposed renovations must be performed by a licensed general contractor.

FUNDS

The funds would be:

- a forgivable loan
- entirely forgiven if a restaurant that meets the program requirements remains at the location for a minimum of five years

ELIGIBLE APPLICANTS

Eligible applicants would be limited to owners of properties that will be the location of a new or expanding full service/ full menu restaurant within downtown Lincolnnton as defined on the attached map on page 5.

INELIGIBLE PROPERTIES/INELIGIBLE RESTAURANTS

- Tax delinquent property
- Property not in good standing with City of Lincolnnton Utility Billing
- Property with outstanding liens
- National restaurant franchises
- Restaurant chains

ELIGIBLE EXPENDITURES

- Architectural fees associated with design of building renovation or expansion for a restaurant that meets program guidelines
- Other professional services necessary for design plan for renovation or expansion for a restaurant that meets program guidelines including, but not limited to, a general contractor and/or a structural engineer
- Physical improvements necessary to create new or expanding restaurant that meets program requirements including but not limited to:
 - a full commercial kitchen,
 - appropriate exhaust system,
 - grease interceptor,
 - sprinkler system,
 - HVAC upgrades,
 - electrical system upgrades, and
 - ADA compliant separate male/ female restrooms.

INELIGIBLE EXPENDITURES

1. Exterior renovations
2. General maintenance
3. Signage
4. Roof or chimney repairs
5. Replacement of carpet
6. Refinishing of floors, walls or ceilings
7. Painting or re-painting
8. Replacement of windows or doors
9. Inventory
10. Removable furnishings
11. Non-fixed items
12. Interior decor items such as, but not limited to, replacement of light fixtures, wallpaper, and paint

CRITERIA FOR REVIEW AND APPROVAL OF APPLICATIONS

- Renovation/rehabilitation /expansion project in compliance with program requirements
- Credit score of 740 or above
- No outstanding liens

COLLATERAL AND SECURITY

- Deed of trust
- City of Lincoln added as additional beneficiary or lien holder on insurance policies

DISBURSEMENT OF FUNDS BY CITY

- Property owner pays invoices as project is underway and may request reimbursement by the City for up to 50% of eligible expenditures up to \$200,000
- Owner has option to either (1) submit all invoices for reimbursement after the project is 100% complete or (2) submit invoices as the project is underway for partial reimbursement upon 25%, 50%, 75% and 100 % project completion
- City staff committee reviews invoices for compliance with program requirements and inspects building renovations prior to approval of reimbursement request
- If a restaurant that meets the program requirements remains at the location for a minimum of five years, the loan is forgiven
- After five year period, owner submits written notice to City that five year period has expired
- City cancels deed of trust

REPAYMENT OF FUNDS TO CITY

- If the restaurant space partially funded through this program is converted to a non-restaurant use or if a full service/full menu restaurant partially funded through this program is converted to a restaurant that does not qualify as a full service/full menu restaurant under this program and such conversion occurs during the five year period of time immediately following the opening of the qualifying restaurant, then repayment of the funds is required.
- Repayment of the funds is on a pro rata basis for each year and/or month in which the program requirements are not met.
- Repayment of the pro-rated share of the funds is to be made to the City within 120 days of the conversion of the former restaurant space.
- Repayment over 120 days past due will constitute default. In the event of default, the city may take action to foreclose on the property.

ACTION REQUESTED:

Staff is asking for Council direction on the following:

- whether to proceed with the Targeted Incentive Program and
- whether Council would like to revise the terms of the Targeted Incentive Program.

DRAFT

TARGETED INCENTIVE

PROGRAM GUIDELINES

AND

APPLICATION

Lincolnton NC
Near the City. Near the Mountains. Near Perfect.

**Targeted Incentive Program For
Full Service/Full Menu Restaurants in
Downtown Lincolnton**

Purpose

The purpose of the City of Lincolnton Targeted Incentive Program is to promote the creation of new full service / full menu restaurants in downtown Lincolnton by offering new or expanding restaurants loans to assist with start-up improvements or expansion projects. This program will benefit the City of Lincolnton with more downtown restaurants, increased tax base, expanded job opportunities and increased payroll in our community.

Program Objective

The program is designed to provide an incentive to entice new or expanding full service restaurants to locate in downtown Lincolnton.

Eligibility

Eligible applicants are limited to owners of properties that will be the location of a new or expanding full service/ full menu restaurant within the downtown Lincolnton program area as outlined on the attached map.

Program

The following terms govern the Targeted Incentive Program:

1. Loans are provided to assist with building renovations necessary to create new full service/full menu restaurants in downtown. Expansions of existing restaurants that adhere to the program requirements may also qualify. Restaurants must adhere to all program guidelines.
2. Funds are limited to a maximum of \$200,000 per qualifying restaurant and require a 1:1 match by the property owner.
3. Provides 50% of the total cost of approved projects up to \$200,000 for eligible expenditures. However, the City may not award the total amount requested.
4. Funds are in the form of a forgivable loan. If a restaurant that meets the program requirements remains at the location for a minimum of five years, the loan is considered to be fully satisfied and repayment is not required. If a restaurant that meets the program requirements does not remain at the location for a minimum of five years, then repayment is required on a pro rata basis for the portion of the five year period during which the program requirements are not met.
5. Only one targeted incentive loan will be provided per restaurant. Funds are for fixed items only and not for inventory, removable furnishings or non-fixed items.
6. Rehabilitation and expansion projects must adhere to applicable City and State ordinances and code requirements, such as state building codes, city zoning regulations, etc.

7. Since each application will be different and reviewed on a case-by-case basis, the applicant may be required to submit additional information. The intent of the Targeted Incentive Program application process is not to burden the applicant with extensive research, but to provide the City Council with information necessary to make appropriate decisions.
8. Applications are subject to approval by City Council. The application must be approved prior to opening or expansion of the restaurant.
9. Ineligible properties and ineligible restaurants:
 - o Tax delinquent property
 - o Property not in good standing with City of Lincolnton Utility Billing
 - o Property with outstanding liens
 - o Restaurant chains /franchises
10. Applicant must have a credit score of 740 or above.
11. The program depends on the availability of funds and may be discontinued at any time at the discretion of the City.

Approval Criteria

Applications will be evaluated on each of the following criteria:

Does the application clearly describe the proposed building renovation/rehabilitation project?

Does the renovation / rehabilitation project meet the program guidelines?

Does the application clearly describe the project's eligible expenditures and the project's expected costs?

Does the application clearly describe the project's timeline?

Do the applicant and the property meet the program criteria?

Full Service /Full Menu Restaurant

Eligible applicants are limited to owners of properties that will be the location of a new or expanding full service/ full menu restaurant within the downtown Lincolnton program area as outlined on the attached map. The restaurant operator may be either the property owner or a leaseholder.

A full service /full menu restaurant is defined by this program as a restaurant that:

- Includes a full commercial kitchen*,
- Features a menu with a broad range of food and beverage options,
- Includes at least 50 seats for guests to dine on the premises, and
- Is open for business to the general public during regular hours at least 6 days and 40 hours per week.

*A full commercial kitchen is defined by this program as one that includes a commercial range and/or oven with an appropriate exhaust hood or other form of appropriate exhaust system and appropriately sized grease interceptor.

Renovations /Expansions

The proposed renovations must be performed by a licensed general contractor.

Proposed changes to the scope of work on an approved project must be conveyed in writing and are subject to approval.

Any new building additions partially funded through this program must meet the attached Secretary of the Interior's "Standards for Rehabilitation" program standards.

Funding

Funding is limited to a maximum of \$200,000 per qualifying restaurant and requires a 1:1 match by the property owner.

Funding is in the form of a forgivable loan. If a restaurant that meets the program requirements remains at the location for a minimum of five years, the loan is considered to be fully satisfied and repayment is not required. If a restaurant that meets the program requirements does not remain at the location for a minimum of five years, then repayment is required on a pro rata basis of \$40,000 per year or \$3,334 per month for the portion of the five year period during which the program requirements are not met.

Example:

\$100,000 awarded. Restaurant remains for 4 years.

\$80,000 of \$100,000 loan is forgiven.

\$20,000 of the loan must be repaid.

Repayment of the pro-rated share of the funds is to be made to the City within 120 days of the conversion of the former restaurant space. Repayment over 120 days past due will constitute default. In the event of default, the city may take action to foreclose on the property.

NOTE: Funding is based on the entire scope of work. All invoices submitted for the project including those submitted for reimbursement by the city and those submitted as documentation of the 1:1 match by the property owner must be eligible expenditures under the program. Other work can be performed as part of the overall renovation or expansion project but will not be considered part of the funded project as defined under this program.

Eligible Restaurants

1. New full service/full menu restaurants in downtown Lincolnton
2. Existing restaurants in downtown Lincolnton that expand in one or more of the following ways:
 - o Renovation of an existing restaurant's kitchen that is not a full commercial kitchen into a full commercial kitchen in order to offer a full menu
 - o Renovation or expansion of an existing full service/full menu restaurant's physical space in order to expand restaurant's capacity (Examples: expanding into a larger area or creating rooftop dining space for restaurant guests)

Eligible Expenditures

1. Architectural fees associated with design of building renovation or expansion for a restaurant that meets program guidelines
2. Other professional services necessary for design plan for renovation or expansion for a restaurant that meets program guidelines such as, but not limited to, a general contractor and/or a structural engineer
3. Physical improvements necessary to create new or expanding restaurant that meets program requirements including but not limited to:
 - o a full commercial kitchen
 - o appropriate exhaust system
 - o grease interceptor
 - o sprinkler system
 - o HVAC upgrades
 - o electrical system upgrades
 - o ADA compliant separate male/ female restrooms.

Ineligible Expenditures

1. Exterior renovations
2. General maintenance
3. Signage
4. Roof or chimney repairs
5. Replacement of carpet / refinishing of floors, walls or ceilings
6. Painting or re-painting
7. Replacement of windows or doors
8. Inventory; removable furnishings; non-fixed items
9. Interior décor items such as, but not limited to, replacement of light fixtures, wallpaper, and paint

Targeted Investment Program Process

1. Application Submitted to City Planning Department

2. Review and Approval of Application

- a. City staff committee makes recommendation on application to City Council.
- b. Decision on application made by City Council at regular Council meeting.

3. Collateral and Security

- a. Funds will be secured by a deed of trust on business real property.
- b. City of Lincoln will appoint an attorney to perform title search on real property and to draft deed of trust.
- c. City of Lincoln will be added as an additional beneficiary or lien holder on insurance policies on real property.

4. Disbursement of Funds By City

- a. The property owner pays the invoices as the project is underway and may request reimbursement by the City for up to 50% of eligible expenditures.
- b. The owner has the option to either (1) submit all relevant invoices for reimbursement after the project is 100% complete or (2) submit invoices as the project is underway for partial reimbursement upon 25%, 50%, 75% and 100 % project completion.
- c. City staff committee reviews invoices for compliance with program requirements and inspects building renovations prior to approval of reimbursement request.
- d. If a restaurant that meets the program requirements remains at the location for a minimum of five years, the loan is considered to be fully satisfied and repayment is not required.
- e. At the end of the five year period, the property owner submits a written notice to the City that the five year period has expired.
- f. City cancels the deed of trust.

NOTE: Property owners with buildings with restaurant spaces partially funded through this program that are temporarily vacant and in the process of being actively marketed for a new restaurant tenant are not subject to repayment due solely to the temporary vacancy. However, the period of time in which there is a temporary vacancy is subtracted from the overall five year time commitment required by this program.

5. Repayment of Funds to City

- a. If the restaurant space partially funded through this program is converted to a non-restaurant use or if a full service/full menu restaurant partially funded through this program is converted to a restaurant that does not qualify as a full service/full menu restaurant under this program and such conversion occurs during the five year period of time immediately following the opening of the qualifying restaurant, then repayment of the funds is required.
- b. Repayment of the funds is on a pro rata basis of \$40,000 per year, or \$3,334 per month, for each year and/or month in which the program requirements are not met.
- c. Repayment of the pro-rated share of the funds is to be made to the City within 120 days of the conversion of the former restaurant space.
- d. Repayment over 120 days past due will constitute default. In the event of default, the city may take action to foreclose on the property.

City of Lincoln Targeted Incentive Program Application

Name of Applicant(s): _____

Restaurant Address: _____

Telephone: _____

E-mail Address: _____

Social Security #: _____ or Federal Identification #: _____

Estimated Total Costs of Improvements: _____

Amount of Funds Requested (Maximum \$200,000): _____

Is there a mortgage on the property? _____ Yes _____ No

If yes, answer following:

Name of Bank or Other Mortgagee: _____

Address: _____

City: _____

State: _____ Zip: _____

Telephone: _____ Fax: _____

Account Number: _____ Original Amount of Loan: _____

Date of Loan: _____ Term of Loan: _____ Months Payments: _____

Number of remaining payments: _____ Outstanding Balance: _____ Interest Rate: _____

Any payment past due? Yes _____ No _____

Are there any other outstanding liens against the property? Yes _____ No _____

If yes, please describe and attach

documentation: _____

Attachments Required (incomplete applications will be returned to applicant)

1. A written summary of the proposed improvements to the building and proposed time frame for such work.
2. Proposed floor plan drawn to scale sufficient to accurately describe the proposed work.
3. Current photograph(s) of the interior of the building where the restaurant will be located clearly showing the existing conditions of the proposed area of improvement.
4. An itemized cost estimate of all materials, supplies and labor costs of the project. Itemized cost estimate must be prepared by a licensed general contractor.
5. Signed approval for City to obtain credit report and score.
6. Certificate of liability insurance.

APPLICANT CERTIFICATION*

The undersigned hereby certifies that the information contained in this application is true and correct to the best of his/her knowledge and belief. I have read and fully understand the requirements of the City of Lincolnton Targeted Incentive Program and agree to comply with all its requirements in full.

The undersigned also agrees to allow the City of Lincolnton, North Carolina and its designated agents to verify the information contained in this application with banks or other parties and agrees to allow the City of Lincolnton to request credit reports and credit scores from banks and credit bureaus.

Signature	Date
Signature	Date
Signature	Date
Signature	Date

*Application must be signed by all property owners.

Program Standards
The Secretary of the Interior's Standards for Rehabilitation

The Secretary of the Interior's Standards for Rehabilitation are ten basic principles created to help preserve the distinctive character of a historic building and its site, while allowing for reasonable change to meet new needs. **All facade changes must meet these standards.** An illustrated guide is available for use from the City Planning Department to help property owners meet the standards.

1. A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.
2. The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.
3. Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken.
4. Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.
5. Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property shall be preserved.
6. Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.
7. Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible.
8. Significant archeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.
9. New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.
10. New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

I have read and understand these guidelines*

Signature of Property Owner

Date

Signature of Property Owner

Date

Signature of Property Owner

Date

*Must be signed by all property owners.

ITEM #

12

MEMO TO: Mayor and City Council Members
FROM: Laura Elam, Planning Director
SUBJECT: Draft RFP for 110 – 116 East Water Street
DATE: September 5, 2019

INTRODUCTION

The attached is a draft Request for Proposals for redevelopment of the building located at 110 – 116 East Water Street for Council's discussion and consideration.

SUMMARY OF RFP

The RFP:

- seeks proposals from development teams for design, construction, management and operation of a high quality, full service/full menu restaurant,
- notes that the City's goal is to
 - select a development team that has demonstrated success in creating a high-quality, affordable, full service/full menu casual dining restaurant and then to
 - negotiate with the selected candidate a contract to include a development agreement, a lease or purchase agreement and a performance bond.

REDEVELOPMENT GOALS

The RFP includes the following goals for the redevelopment:

- establishment of a new, high quality, full service/full menu restaurant that:
 - includes a full commercial kitchen including a commercial range and/or oven with an appropriate exhaust hood or other form of appropriate exhaust system and appropriately sized grease interceptor,
 - features a broad menu ,
 - includes at least 100 seats, and
 - is open for business at least 6 days and 40 hours per week.
- preservation of the existing building,
- enhancement of downtown,
- improvement of quality of life in City,
- creation of positive economic benefits that are matched or exceeded by public expenditures and
- assurance of developer performance.

SELECTION CRITERIA

The selection criteria include consistency with the RFP redevelopment goals, experience and background of the development team, extent of public participation requested, proposed purchase price or lease terms and estimated time frame for development and construction.

The selection criteria is weighted as follows:

- **Redevelopment Goals** (50 points)
 - *Characteristics of the proposed project*
 - *Consistency with RFP redevelopment goals*
 - *Quality of the proposed restaurant, menu, etc*
- **Experience and background of Development Team** (30 points)
 - *Teams experience and success with similar projects*
 - *Experience of project manager and restaurant operator*
 - *Experience of design consultants*
 - *Team's financial capacity*
 - *Financial viability of proposal*
- **Other development issues** (20 points)
 - *Extent of public participation requested*
 - *Proposed purchase price or lease terms*
 - *Timeframe*
- TOTAL POINTS** (100 Points)

POTENTIAL SCHEDULE

In the event City Council chooses to proceed with the RFP process at the September 5 meeting, the below are two potential options for the schedule:

OPTION A

- | | |
|---|------------------------|
| 1. Council approval of RFP/Direction to Proceed: | Sept 5 |
| 2. Advertisement of RFP: | |
| • City website: | Sept 6 - 30 |
| • Direct mailing: | Sept 6 |
| • Lincoln Times News: | Sept 9 or 11 |
| • Lincoln Herald: | Sept 9 or 11 |
| 3. Deadline for Responses to RFP: | Sept 30 |
| 4. Committee Meeting to Determine Consistency with RFP Goals: | Oct 1 or 2 |
| 5. Presentations by Respondents to City Council: | Oct 3 |
| 6. Designation of Development Team by City Council: | (not later than) Oct 7 |

OPTION B

- | | |
|--|------------------------|
| 7. Council approval of RFP/Direction to Proceed: | Sept 5 |
| 8. Advertisement of RFP: | |
| • City website: | Sept 6 – Nov 4 |
| • Direct mailing: | Sept 6 |
| • Lincoln Times News: | Sept 9 or 11 |
| • Lincoln Herald: | Sept 9 or 11 |
| 9. Deadline for Responses to RFP: | Nov 4 |
| 10. Committee Meeting to Determine Consistency with RFP Goals: | Nov 5 or 6 |
| 11. Presentations by Respondents to City Council: | Nov 7 |
| 12. Designation of Development Team by City Council: | (not later than) Nov12 |

ACTION REQUESTED:

Staff is asking for Council direction on the following:

- whether to proceed with the RFP process,
- whether Council would like to revise the RFP, and
- the preferred schedule (Option A , Option B or another option) .

DRAFT

REQUEST

FOR

PROPOSALS

DRAFT

REQUEST FOR PROPOSALS

for Re-Use of City-Owned Property for

Full Service-Full Menu Restaurant

Former Lincoln Motor Building
110/116 E. Water Street
City of Lincolnton, North Carolina



RFP Issued by:
City of Lincolnton, North Carolina

Deadline for Submittal

Interested parties must submit development proposals not later than 4 PM Monday, September 30, 2019 / November 4, 2019.

Please e-mail any requests for information to:

Laura Elam, City of Lincoln Planning Director
lelam@lincolntonnc.org

Submission Meeting and Tour

A pre-submission meeting and tour can be scheduled upon request to include a tour of the building and property. Prospective respondents are encouraged to request this meeting.

RFP
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I. INTRODUCTION

The City of Lincoln (‘‘City’’) is seeking proposals from development teams skilled in design, construction, management and operation of high-quality, full service/ full menu restaurants for the re-use of a 7,854 square foot historic building in downtown Lincoln. The building is located on a .35 acre site at 110, 112, 114 and 116 E. Water Street. Proposals from qualified respondents, leading to the selection of a development team and the negotiation of a development agreement in a manner which is consistent with the goals and objectives outlined by this Request for Proposals will be accepted until 4 PM, Monday, September 30, 2019/October 4, 2019.

Renovation of the building and its subsequent re-use as a high quality, full service / full menu restaurant is the primary goal of this Request for Proposals (‘‘RFP’’).

Interested parties, having the demonstrated ability to design, construct, manage and operate a high-quality, full service/full menu restaurant at the site are encouraged to reply to this RFP. The City’s goal is to negotiate with the selected candidate a development agreement and then either a lease or purchase agreement. The City intends to select a development team that has demonstrated success in creating a restaurant establishment that will provide a high - quality, but affordable, casual dining choice.

Intent

It is the City’s intent to facilitate the reuse of the property specifically for a high-quality, full service/ full menu restaurant in a manner that is compatible with the character of Lincoln and that enhances the positive qualities of downtown. Proposals should create a unique and inviting space that complements the vitality of downtown.

B. The City’s Role in the Development

The City has established the following elements as the framework for re-use of the site:

The selected development team will be responsible for formulating the development program within the framework specified in this Request for Proposals. All proposals will be subject to applicable City review and required approval processes.

The City plans to sell or lease the property to the selected development team following a review of proposals submitted to the City. The development team would enter into a contract with the City of Lincoln including a development agreement, lease or purchase agreement and performance bond.

II. REDEVELOPMENT GOALS

The City has established the following goals for the redevelopment of the site:

A. Site Goals

1. The redevelopment should establish a high quality, full service/full menu restaurant.
2. Full service /full menu restaurant is defined by this RFP as a restaurant that:
 - a. Includes a full commercial kitchen including a commercial range and/or oven with an appropriate exhaust hood or other form of appropriate exhaust system and appropriately sized grease interceptor,
 - b. Features a menu with a broad range of food and beverage options,
 - c. Includes at least 100 seats for guests to dine on the premises, and
 - d. Is open for business to the general public during regular hours at least 6 days and 40 hours per week.
3. The redevelopment should maintain and preserve the existing historic building. Renovations to the exterior of the building may be proposed but should preserve its historic character.
4. The redevelopment may include additional, complementary uses for the building and/or site as long as a full service/full menu restaurant as defined above is included.
5. The redevelopment may include additional floor area on the site. However, any new addition should complement the historic character of the existing building.

B. Downtown Goals

1. The redevelopment should enhance the built environment of downtown Lincolnton.
2. The redevelopment should contribute to the improvement of the quality of life for Lincolnton residents and visitors.

C. Economic Development Goals

1. The redevelopment should produce positive economic benefits for the City.
2. Public expenditures and outlays should be matched or exceeded by economic benefits.
3. Implementation measures should include mechanisms to ensure performance of developer commitments.

NOTE: The City is also interested in ideas the development team may have regarding the redevelopment of the property.

III. SITE DESCRIPTION

A. General Information

The downtown area of Lincolnton is the center and focal point of the community and its continued vitality and attractiveness is of major importance to the entire City. The historic commercial district contains a diverse range of commercial uses. The City's image is reinforced by Court Square, located at the western terminus of East Main Street. This view corridor provides a focus towards the 1920's Greek Revival County Courthouse, which is flanked on both sides by a uniform scale of buildings along Main Street.

B. Redevelopment Site

The site provides an opportunity to enhance the downtown environment and reinforce the character of Lincolnton's historic commercial district. The development site encompasses an approximately .35+/-acre site located on the southeast corner of Court Square in the center of downtown Lincolnton. Once the site of Lincolnton Baptist Church and Lincoln Motor Company, the buildings located on the site have been vacant for years.



C. Buildings

The buildings total approximately 7,854 square feet and are all contributing buildings in Lincolnton's historic commercial district, a National Register District.



Below are the descriptions of each building from the National Register nomination:

Hawkins and Proctor Furniture Company

Contributing building

110-112 East Water Street

Late 1920s

Floyd Corriher had this two-story brick building erected for rental purposes. The second floor was used as the office of a cotton broker. For several decades Hawkins and Proctor Furniture Company occupied the first story. The building remains largely intact. The storefront consists of an off-center, double-leaf, glass-and-wood-paneled entrance flanked by decorative wood pilasters. On either side of the entrance are plate-glass display windows set on a brick base. At the east end of the facade, a single-leaf, glass and wood-paneled door leads to the second floor (112). A decorative wood pilaster separates it from the adjacent display window. The prism-glass transom that originally topped the storefront has been covered by wood boarding and an overlay of lattice. It is not known whether the original glass remains intact beneath the wood. The three bays of the second story have one-over-one sash windows—a single window in the center with a pair of windows on either side. Above the windows a concrete name panel stretches across most of the width of the facade. One-over-one sash windows remain near the front of the east elevation; the west elevation has been stuccoed (Corriher Interview; Sanborn Map, 1921, 1929, 1941; 1957 City Directory).

Lincoln Motors Office

Contributing building

114 East Water Street

ca. 1940

This diminutive, one-story brick building was erected to serve as the office for Lincoln Motors when it was located at 116 East Water Street. The facade has a center door with nine lights over wood panels, which serves as the sole entrance to the office. Flanking the door are plate-glass windows, and across the top of the door and the west window are twelve-light transoms. The east transom has been replaced with an air conditioning unit. The east elevation has one plate-glass window. A shed roof running downward from west to east appears to be an addition (Corriher Interview; Sanborn Map, 1929, 1941).

Lincolnton Baptist Church/Lincoln Motors

Contributing building

116 East Water Street 1884; ca. 1925

In 1884 the congregation of Lincolnton Baptist Church completed construction of their building on East Water Street. It was a small gable-front church, three bays wide, with plain classical pilasters on the facade, arch-headed door and window openings, and a circular window in the pedimented gable end. The congregation used the building until 1921, when they sold it prior to their move into their new building—(former) First Baptist Church/Lincoln Cultural Center—on the northeast corner of East Main and Cedar streets. Initially the former church building on East Water Street was used as a tin shop, but soon it was converted to Lincoln Motors' used car dealership, which it remained for at least two decades. The upper half of the facade's three bays is enclosed and stuccoed. In the lower half, the center bay has a double-leaf, glass-and-wood-paneled entrance surrounded by wood-framed plate-glass windows on a brick base and a transom. The east bay has a replacement window set into the earlier show windows. The west bay is largely hidden from view by the Lincoln Motors Office (114 East Water Street), erected in

front ca. 1940. The church's gable roof burned in the 1930 fire of the Rhodes and Corriher Sales Stable and was replaced by a flat roof (Corriher Interview; Hood, National Register nomination for (former) First Baptist Church, 8.2-3; *Lincoln County News*, July 31, 1930; Sanborn Map, 1885, 1911, 1921, 1929, 1941).

D. Parking Availability

The site includes space for parking (and/or other uses) to the rear of the building. In addition, on-street parking is available along East Water Street, South Academy Street, East Church Street and other public streets.

E. Nearby Uses

Untapped Territory Craft Beer and Regional Wines is located next door. Brick Tree Brewing, the City's first brewery is underway within walking distance. Other nearby uses include retail, restaurants and offices.

IV. COMMUNITY DESCRIPTION

A. General Demographics/Location

The City of Lincolnton's municipal population of 10,945* and trade area of over 35,000 is situated in the piedmont section of the State. Thirty-five miles northwest of Charlotte, North Carolina's largest city, 25 miles south of Hickory, and 20 miles north of Gastonia, Lincolnton is ideally situated to develop as a regional commercial center. Lincolnton is the county seat and the only municipality in Lincoln County as well as the County's geographic center and major center of employment. The City is within easy access of I-40 and I-85 via NC Hwy 321, a four lane divided highway.

B. Economic Climate

Due to its accessibility, retailers reportedly attract shoppers from nearby Gastonia, Hickory, Shelby and Cherryville as well as tourist visitors. The City has a thriving retail sector, with representation of many national chains as well as regional and local retailers. Yet due to the close proximity to surrounding communities, Lincoln County has leakages in most categories of sales. This leakage is especially acute in restaurants at \$33 million**.

Five hundred thirty one (531) new businesses incorporated in Lincoln County in 2018. *** The long-term growth in total population and number of households should translate into a strong and expanding restaurant market. Downtown Lincolnton has a number of key demand generators that utilize restaurants: trade area residents, downtown office workers and non-residents coming downtown for business or cultural attractions**. Although, the downtown area has a number of attributes that could make it attractive to restaurants, there are currently only two full service / full menu restaurants with ABC permits downtown.

V. SUBMISSION PROCESS

A. Time Line

The anticipated timetable for the process is:

Solicitation of Proposals, Friday, September 6, 2019

Proposal Submissions, Monday, September 30, 2019 / November 4, 2019

Proposal Presentation to City Council Thursday, October 3, 2019 / November 7, 2019

Designation of Development Team by City Council, Monday, October 7, 2019 /
November 12, 2019

B. Development Team Experience and Background

Interested development teams must demonstrate their ability to develop the site. Include the following sections in the development proposal:

1. Description of the development team including any joint venture partners
2. Development team's legal structure,
3. Names, addresses, titles of position (if any), and nature and extent of the interest of the officers and principal members, shareholders, investors of the development team,
4. Description of the development team's previous, relevant project experience including brief descriptions, financial summaries, photographs, and references,
5. Evidence of the development team's financial capability,
6. A statement attesting to the fact that the development team will not discriminate on the basis of race, creed, color, sex, religion, national origin, family status, or disabilities in reference to this proposal or this project, and
7. Statements regarding whether the development team, officers, principal members or other parties of interest have been adjudged bankrupt or if anyone referred to above has been indicted for or convicted of any felony within the past ten years.

C. Redevelopment Proposal

In addition to the development team's qualifications, in order to receive consideration, submittals must include the following elements:

1. A comprehensive narrative describing the proposed restaurant, proposed restaurant tenant/user and target markets,
2. A description of the management and operational structure of the business, staffing and business hours,
3. Preliminary sketches and conceptual drawings including elevations and floor plans,

4. A description of the parking plan for restaurant patrons,
5. Proposed timetable from construction to occupancy,
6. A description of the impact on the City in terms of tax revenues, sales, temporary and permanent jobs created,
7. A list of the roles of all consultants, regarding planning, architecture, and urban design, and indicate their previous experience and projects,
8. The estimated total project costs and method of financing for the re-use,
9. The proposed purchase price or lease terms for the site,
10. A description of the nature and amount of public participation requested of City of Lincolnton,
11. Other relevant information regarding the proposed re-use plan.

Eight original copies of the proposal are due by 4:00 PM, Monday, September 30, 2019/
November 4, 2019.

VI. REVIEW & SELECTION PROCESS

A. Review Process

Development teams whose proposal is found to be consistent with the Redevelopment Goals outlined in Section II above will be invited to make a presentation at a public meeting of the Lincolnnton City Council.

B. Evaluation Criteria

Redevelopment Goals (50 points)

- Characteristics of the proposed project
- Consistency with RFP Redevelopment Goals
- Quality and uniqueness of the restaurant concept, based on the type and character restaurant proposed, targeted clientele, type of menu and cuisine, appeal to a diversity of users and compatibility with downtown

Experience and background (30 points)

- Development team's experience and success in developing similar projects in similar communities and its design capabilities, technical skills, and abilities
- Experience of the project manager and key personnel
- Experience of the restaurant operator based on the operator's breadth of experience, partnerships in public/private ventures, quality and success of other restaurant ventures over time, uniqueness of other ventures and ongoing management of restaurant operations
- Experience and qualifications of design consultants (architect, engineer, etc) based on the quality and uniqueness of other restaurant design ventures, experience with restaurant operations and experience on projects with similar characteristics
- Development team's financial capacity and stability
- The financial viability of the proposal based on adequacy of projected revenues to support the investment, reasonableness of the cash flow analysis and proposed capital investment for improvements

Other development issues (20 points)

- Extent of public participation requested
- Proposed purchase price or lease terms
- Estimated timeframe for development and construction schedule

TOTAL POINTS (100 Points)

VII. OTHER TERMS, CONDITIONS AND SOURCE MATERIALS

The City will conduct the selection process and is the sole and final decision-maker regarding this selection.

The City will lease or sell the property in an “AS IS” condition. It shall be the sole responsibility of the Respondent to investigate and determine conditions of the property including the suitability for improvements, renovations, etc to be undertaken by the Respondent.

The issuance of this RFP does not constitute an agreement by the City that any contract will actually be entered into by the City. The City reserves the right to reject any or all proposals or to terminate development or lease negotiations at any time. The City reserves the right at any time to:

- waive any defect or informality in any response, proposal or proposal procedure;
- reject any or all proposals;
- suspend any and all aspects of the process indicated in this RFP;
- reissue a Request for Proposals;
- request some or all Respondents to submit revised or new bids;
- select a tenant or buyer by any other means;
- offer new opportunities for restaurants in the area at any time;
- extend deadlines for accepting proposals;
- accept amendments to proposals after expiration of deadlines; or
- determine that no project will be pursued.

The information presented in this RFP and any information provided by the City is provided solely for the convenience of the interested parties. It is the responsibility of interested parties to assure themselves that the information contained in this RFP or other documents is accurate and complete. The City provides no representations, assurances or warranties pertaining to the accuracy of such information. Information sources include the following:

*US Census Bureau , Vintage 2018 Population Estimates

**Lincolnton Market Analysis, 2010 Update

***NC Secretary of State Business Registrations, 2018

ITEM #

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Executive Summary
July 2019 Year-To-Date

General Fund		% of					
Fund 10	Revenues	Budget 19-20	Actual 19-20	Budget	Budget 18-19	Actual 18-19	Difference
	Fund Balance	11,818,700	-	1%	11,271,936	33,485	51,485
		11,818,700	84,970	-	964,361	-	-
			84,970		12,236,297	33,485	51,485
	City Manager/Clerk	277,495	28,760		320,960	28,574	186
	Human Resources	243,020	26,896		239,060	21,199	5,697
	Finance	149,630	47,130		242,790	42,700	4,430
	General Expense	1,108,160	220,206		1,001,620	197,775	22,431
	General Debt Service	424,632	21,692		513,524	21,692	-
	Police	3,218,020	288,169		3,115,970	270,364	17,805
	Fire	2,255,800	185,823		2,041,650	191,231	(5,409)
	Public Works	44,010	15,568		79,616	11,050	4,518
	Street	1,164,325	66,108		1,257,668	73,857	(7,749)
	Equipment Services	115,970	13,858		133,270	13,004	854
	Solid Waste	823,855	52,692		854,228	47,522	5,170
	General Services	-	-		-	-	-
	Plannin/Zoning	575,420	22,507		379,060	19,611	2,895
	Bus & Comm. Dev	133,200	1,718		135,000	2,106	(388)
	Recreation	1,285,163	93,812		957,520	84,979	8,832
	Expenses	11,818,700	1,084,936	9%	11,271,936	1,025,664	59,272
	Difference		(999,966)			(992,180)	(7,786)

Water & Sewer Fund		% of					
Fund 61	Revenues	Budget 19-20	Actual 19-20	Budget	Budget 18-19	Actual 18-19	Difference
	Fund Balance	8,616,949	-	8%	8,378,540	681,446	34,152
		8,616,949	715,598		8,905,193	681,446	34,152
	Water Treatment	1,506,850	182,359		1,508,450	186,521	(4,162)
	Dist & Collection	1,847,150	148,525		1,748,000	92,792	55,733
	Wastewater	1,567,500	74,699		1,544,600	75,976	(1,276)
	W & S Intangibles	3,695,449	110,176		3,577,490	98,498	11,678
	Expenses	8,616,949	515,759	6%	8,378,540	453,786	61,973
	Difference		199,839			227,660	(27,821)

Electric Fund		% of					
Fund 63	Revenues	Budget 19-20	Actual 19-20	Budget	Budget 18-19	Actual 18-19	Difference
		8,056,350	640,036	8%	7,669,264	648,321	(8,285)
	Fund Balance	-	-		1,224,483	-	-
		8,056,350	640,036		8,893,747	648,321	(8,285)
	Electric Dept.	8,056,350	99,282		7,669,264	89,144	10,139
	Expenses	8,056,350	99,282	1%	7,669,264	89,144	10,139
	Difference		540,754			559,177	(18,424)

Overtime 80+ hours	43,142	43,637	(495)
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