

CONCORD CITY COUNCIL
WORK SESSION MEETING
FEBRUARY 11, 2025

The City Council for the City of Concord, North Carolina, held the scheduled City Council Work Session in the 3rd floor City Hall Council Chambers located at 35 Cabarrus Ave, W, on February 11, 2025, at 4:00 p.m. with Mayor William C. Dusch presiding.

Council Members were present as follows:

Members Present:

Mayor Pro-Tem Andy Langford
Council Member Lori A. Clay
Council Member Betty M. Stocks
Council Member JC McKenzie
Council Member Terry L. Crawford
Council Member Jennifer Parsley-Hubbard

Members Absent:

Council Member John A. Sweat, Jr.

Others Present:

City Manager, Lloyd Wm. Payne, Jr.
City Attorney, Valerie Kolczynski
City Clerk, Kim J. Deason
Department Directors

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The following agenda was presented for discussion:

Presentations:

Presentation of a Proclamation recognizing Black History Month.

Presentation of a Proclamation recognizing Wednesday, March 12, 2025 as Lambda Upsilon Omega Day.

Presentation of a retirement plaque recognizing Jason Porter for 29 years of service with the City of Concord.

Presentation of retirement plaque recognizing Bobby Teal for over 29 years of service with the City of Concord.

Presentation of the C-Surface Operator of the year award to James Coble.

Mayor Dusch presented the American Public Power Association (APPA) National Commendation to Concord Electric Systems team members Jack Rushing, Chris Aldridge, Chandler Rice, Larry Barbee, Syrus Dellinger, Clint Meece, Triston Langston, Tim Furr, and Jason Sartain for Power Restoration in Forest City, NC after Hurricane Helene.

Departmental Reports:

Streetscape Update

Staff will provide an update at the February 13, 2025 City Council meeting.

Parks and Recreation Bonds update

Staff will provide an update at the February 13, 2025 City Council meeting.

Public Hearings:

Conduct a public hearing pursuant to North Carolina General Statutes Sec. 158-7.1 to consider granting a three-year/85% tax-based economic industrial spec grant to HSREI, LLC to locate at 4295 Defender Way, Concord, NC 28027.

The Cabarrus Economic Development Project Manager, Samantha Grass, stated HSREI, LLC proposes to develop another building at the Advanced Manufacturing Center (AMC) on 10 acres adjacent to Hendrick Motorsports campus that will attract a premier manufacturing tenant. She stated HSREI, LLC proposes to invest approximately \$65-\$70 million in real property. The total value of the City's three-year/85% grant is estimated to equal \$749,700 depending on the actual investment. The City of Concord would still collect a three-year net revenue of \$132,300 after the incentive payments.

Conduct a public hearing pursuant to North Carolina General Statutes Sec. 158-7.1 to consider granting a three-year/85% tax-based economic industrial spec grant to Motorsport IP Acquisition Co. I, LLC to locate at 4295 Defender Way, Concord, NC 28027 and 4540 Fortune Ave NW, Concord, NC 28027.

The Cabarrus Economic Development Project Manager stated Motorsport IP Acquisition Co, I, LLC proposes to develop a site to support the development of the power unit (engine) for the Cadillac F1 vehicle. She stated the project would involve significant investment in new manufacturing, R&D and information technology equipment, and the hiring of 300 to 350 highly skilled employees in manufacturing, engineering, and research and development with an average wage of \$100,000 to \$125,000 per year. Motorsport IP Acquisition Co. I, LLC proposes to invest approximately \$75-\$85 million in personal property. The total value of the City's three-year/85% grant is estimated to equal \$743,453 depending on the actual investment. The City of Concord would still collect a three-year net revenue of \$131,198 after the incentive payments.

Conduct a public hearing pursuant to North Carolina General Statutes Sec. 158-7.1 to consider granting a three-year/85% tax-based municipal service district economic development incentive grant to Macklar, LLC for tenant investment at 14 Church St. S, Concord, NC 28025 having an investment of \$475,000 in real and personal property.

The Planning and Neighborhood Development Services Economic Development Project Manager, Kassie Watts, stated Macklar LLC, proposes to develop approximately 2,565 sq ft of commercial space into a bar with an arcade, pool, dart games, and TV's that will serve as the Dive Bar. The Dive Bar will offer food, drinks, and a fun atmosphere.

Conduct a public hearing and consider adopting an ordinance annexing +/- 5.01 acres at 520 Crestmont Dr (PIN 5630-98-4419)(Case - ANX-01-25) owned by Jordan and Margaret Hall.

The Planning and Neighborhood Development Services Economic Development Planning Manager, Autumn James, stated the request is for voluntary annexation of +/- 5.01 acres of property at 520 Crestmont Dr. The property is currently zoned RM-1 (in ETJ). The City of Concord Council reviewed the preliminary application for sewer at the July 11, 2024, regular council meeting and voted to have the applicant proceed to the final application phase including

the voluntary annexation process as outlined in Section 62-81 of the City Code prior to a residential sewer service application.

Presentation of Petitions and Requests:

Consider approving benefit plan rates for the City of Concord for FY26 and authorize the City Manager to negotiate, conclude, and execute contracts with plan providers.

The City Manager introduced Gallagher representative, Dominique Palmer. Ms. Palmer stated due to inflation, advancements in medical technology and pharmaceuticals, and increased prevalence of chronic diseases, Gallagher is projecting an increase to the budget on a per coworker per year basis; however, the additional headcount, plan enrollment shifts, and prescription drug cost result in an increase to the gross medical budget. She stated the recommendation is to increase coworker contributions by 5%, which will be the first increase in six years. The net budget after the proposed coworker contributions is estimated at \$13,884,000 compared to \$12,900,000 in FY25.

Consider approving an update to Article 6, Leaves of Absence, of the City's Personnel Policies and Procedures.

The Human Resources Director, Chantel Thompson, stated to enhance recruitment of experienced staff, an update to Article 6, Leaves of Absence, of the City's Personnel Policies and Procedures is recommended to allow all verified sick leave from previous service with LGERS or TSERS be credited to the coworkers' sick leave accrual bank. Additionally, in an effort to attract and retain top talent, staff recommends updating sick leave accruals and vacation accruals for full-time City coworkers.

Consider adopting a resolution authorizing an eminent domain action for a parcel located at 620 Main St, SW.

The City Attorney stated this property is currently owned by all heirs, known and unknown of Michael Edward Helms. Acquisition of this property is necessary for the repair and reconstruction of a storm water culvert. The temporary construction easement and the permanent utility easement are estimated to have a total value of \$1,641.60.

Consider authorizing the City Manager to execute the lease extension with DK Aviation Properties LLC for additional 16 years.

The Aviation Director stated DK Aviation has requested an extension of 6 years along with a new 10-year option (for a remaining term of 40 years). The current lease expires on 10/29/48. With the proposed extension, it will terminate on 10/29/64. The reversion deferral fee (RDF) for a 16 year extension is \$275,000. The new reversion deferral fee plan will be as follows: \$68,750 upon lease execution (February 2025); \$68,750 12 months from lease execution (February 2026), \$68,750 24 months from lease execution (February 2027); and \$68,750 36 months from lease execution (February 2028). He stated the RDF calculation is consistent from the previous City Council action in 2018.

Consider accepting a preliminary application from Cheryl and Jerry Baxter.

The Engineering Director, Jackie Deal, stated Jerry Baxter Jr. & Cheryl Baxter submitted a preliminary application to receive water service outside the City limits in order to construct one new home. The property is located at 2436 Miami Church Rd., Concord NC. This 4.56 acre parcel is zoned county LDR-MH2 (low density residential with a double wide mobile home overlay) and is located within Area B. The Engineering Director stated sewer is not available to

the parcel. Prior to the final application, a private easement will be required for the water service from the adjacent parcel, which Mr. and Mrs. Baxter own.

Consider adopting changes to the City of Concord's Sewer Allocation Policy.

The Engineering Director stated the proposed changes to the Sewer Allocation Policy addresses Council's approval of project specific scope changes and recommends a regular recurring Sewer Allocation item to the Council Agenda each month as needed.

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Consent Agenda:

There were no comments regarding the consent agenda.

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A motion was made by Council Member Crawford and seconded by Council Member Hubbard to conduct a closed session in accordance with N.C. General Statute 143-318.11(a)(3) to consult with the City Attorney to protect the attorney client privilege; and N.C. General Statute 143-318.11(a)(4) to discuss the location or expansion of industries or other businesses in the area served by this public body—the vote: all aye.

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There being no further business to be discussed, a motion was made by Council Member McKenzie and seconded by Council Member Crawford to adjourn—the vote: all aye.

William C. Dusch, Mayor

Kim J. Deason, City Clerk