STATESVILLE CITY COUNCIL PRE-AGENDA MEETING MINUTES – July 31, 2025
CITY HALL – 300 S. CENTER STREET, STATESVILLE, NC – 4:00 P.M.

Council Present: Mayor Kutteh presiding, Jones, Lawton (Virtual) J. Johnson, Wasson, Pearson (Virtual), S. Johnson, Allison, S. Johnson

Council Absent: Hudson

Staff Present: Ron Smith, Messick (Virtual), E. Kurfees, Hubert, Griggs, Vaughan, Ferguson, Pierce, G. Kurfees, Harrell, Caulder, Lawrence, Onley, Everette, Ashley

I. **Call to Order**
Mayor Kutteh called the meeting to order. He stated that we have three items on closed session today.

Smith introduced Lawrence as the new Chief Financial Officer.

II. **Invocation** (Only at the Regular Meeting)

III. **Pledge of Allegiance** (Only at the Regular Meeting)

IV. **Adoption of the Agenda** (Only at the Regular Meeting)

V. **Code of Ethics and Front and Center Strategic Plan** (Only at the Regular Meeting)

VI. **Presentations & Recognitions** (Only at the Regular Meeting)

VII. **CONSENT AGENDA**
All items below are considered to be routine by City Council and will be enacted by one motion. There will be no separate discussion on these items unless a Council member requests, in which event, the item will be removed from the Consent Agenda and considered with the other items listed in the Regular Agenda.

A. **Consider approving the July 10, 2025 Pre-Agenda and the July 14, 2025 Regular Meeting Minutes. (E. Kurfees)**

B. **Consider approving Budget Amendment #2026-03 for the transfer of $370,000.00 from appropriated fund balance to the Statesville Police Department Capital Account for the purchase of the BATT X armored vehicle. (Onley)**
Mayor Kutteh stated that it was approved in the budget, but it was not put in the Police individual budget.

Smith stated that the City put a request into Congressman Harrigan's office. We are in the federal budget now. This funding will be approximately $600,000.

Council Member S. Johnson asked if we have mutual aid with other departments. Chief Onley stated yes.

C. **Consider approving Budget Amendment #2026-4 to transfer funds from the Fund Balance to the Fire Station 5 Project Fund. (G. Kurfees)**
Smith stated that there is a grand total of $3.5 million for the purchase of the land and other projects to renovate the home and build the bay. The $1.5 million is for land acquisition.

Council Member Jones asked about the $2 million. Chief Kurfees stated that the funding will go towards renovating the home and a bay for the apparatus. The $2 million was lumped into professional services and can be moved into other lines.

Mayor Kutteh stated that the staffing will begin soon. Chief Kurfees stated that we are starting our hiring process on August 1. He stated that the hiring and training process will take close to a year.

Council Member S. Johnson asked for the operating cost. Chief Kurfees stated that it will be approximately $1.3 million for staffing.

Smith stated that at some point we will need to pay $1.3 million in salaries annually, and we will need to figure out how to pay for the staff.

Council Member Allison asked about the funding. Smith stated that we will need the funding for next year to pay for the staff.

Council Member S. Johnson stated that 2027 is a revaluation year and we can use that revaluation funding to pay for staffing.

D. Consider approving a 25 year ground lease for the construction of a hangar for Crosswinds Aerospace. (Ferguson)
Mayor Kutteh stated that this is a flight school at the airport. He stated that on page 34, there is a CPI increase every 5 years. He would like to remove the phrase about CPI.

Council Member Jones stated that he believes the lease is very low. Mayor Kutteh asked if we should get an appraisal. Council Member Jones stated that we should get an appraisal of the property.

Ferguson stated that we can get a rate surveying work. Telics can do a rate study.

The Council decided to delay this item until the Telics rate study is completed.

E. Consider passing a resolution directing the City Clerk to investigate a petition of annexation, AX25-06 filed by Mr. Richard Bollerup for his parcel located at 2110 E Greenbriar Road, receive the City Clerk's Certificate of Sufficiency, and consider passing a resolution fixing a date of August 18, 2025, for a public hearing for the petition of annexation. (Kirkendall)
Mayor Kutteh stated that this is 1.566 acres and this property needs city water. This is the first step in annexation process.

F. Consider approving the second reading of the proposed text amendment TA25-01 by Downtown Statesville Development Corporation to allow Drinking Establishments in the Central Business (CB) Zoning District. (Kirkendall)
Council Member Jones asked when the trash study will be brought back to City Council. Pierce stated that he was under the impression that we could move this forward and bring the trash issue back at another date.

Harrell stated that we are looking at September 1 as having the trash study complete. Ashley stated that we will hold enforcement the drinking establishments until then as well.

Council Member Allison stated that owners need to keep up their trash as well.

Council Member Lawton stated that there is lots of trash all over the ground on Monday morning.

Council decided to postpone this item until September 15th meeting.

G. Consider passing the second reading of Rezoning Request ZC25-11 for The Oaks at James Farm; property located at the intersection of Jane Sowers Road and James Farm Road to rezone from Iredell County R-20 (Single-Family Residential) District to City of Statesville R-5MF CZ (High Density Multi-Family Residential Conditional Zoning) District. (Caulder)
Mayor Kutteh asked if an annexation petition has been filed. Caulder stated that he is working on it, but he is unsure if it has been turned in.

Mayor Kutteh stated that he would like to postpone this second reading if the annexation is not filed.

H. Consider approving the second reading of an ordinance to regulate begging, panhandling, or soliciting contributions. (Onley)

REGULAR AGENDA

VIII. Receive an update on the Monroe Street Redevelopment Corridor. (Caulder)

Smith stated that this was in response to some code enforcement requests on Monroe Street.

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IX. Consider passing the second reading of Rezoning Request ZC25-10 River Hills PUD; for located on U.S. Highway 64 between East Broad Street and River Hill Road for a major amendment to the approved concept plan. (Caulder)
Mayor Kutteh stated that the development is increasing the single-family homes in the project.

X. Consider passing second reading approving a Revised Development Agreement for River Hill's Planned Unit Development (PUD; ZC25-10) for properties located on US 64 between East Broad Street and River Hill. (Ashley)

XI. Consider appointing two regular members to the Board of Adjustment. (Kirkendall)
Mayor Kutteh stated that on page 166; he said that the two alternates could be the regular position since they have some experience and can fill the position of alternates. Smith stated that staff will ask if they are willing to go from alternate to regular members.

XII. Consider approving a request to waive annexation for Kelly Farm to receive a connection to City Water services. (Vaughan)
Mayor Kutteh stated that this project is very outside our service area. They would pay outside rates. Annexing the property would stress other city services.

XIII. City Manager's Report (Only at the Regular Meeting)

XIV. Advisory Boards Meeting Minutes
1. **June 12, 2025 Design Review Committee Minutes**

XV. Other Business
Smith stated that we have applied two years for the BUILD Grant for the Linear Park project. We received a response that we are project of merit, but did not receive the grant this year. Council Member Jones would like to see how the packet of the winners was different than ours and how we can improve it.

XVI. Closed Session (Following Pre-Agenda)
Mayor Kutteh stated that we need to go into closed session for an economic development issue, personnel issue, and attorney client privilege issue.

Council Member Allison made a motion to go into closed session. Council Member J. Johnson seconded the motion. The motion passed unanimously.

Coming out of closed session, Mayor Kutteh stated that there were no decisions made.

XVII. Adjournment
Council Member Allison made a motion to adjourn. The motion was seconded by Council Member Jones. The motion passed unanimously.

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Emily Kurfees, City Clerk | Constantine H. Kutteh, Mayor

STATESVILLE CITY COUNCIL REGULAR MEETING MINUTES –August 4, 2025
CITY HALL – 300 S. CENTER STREET, STATESVILLE, NC – 6:00 P.M.

Council Present: Mayor Kutteh presiding, Jones, Lawton, J. Johnson, Wasson, Pearson, S. Johnson, Allison, S. Johnson, Hudson

Council Absent: None

Staff Present: Ron Smith, Messick, E. Kurfees, Hubert, Griggs, Vaughan, Pierce, G. Kurfees, Harrell, Caulder, Lawrence, Onley, Ashley, Marion, Daniels, Gregory, Bridges,

I. Call to Order
Mayor Kutteh called the meeting to order.

II. Invocation
The Clerk led the invocation.

III. Pledge of Allegiance
Mayor Kutteh led the Pledge of Allegiance.

IV. Adoption of the Agenda
Mayor Kutteh stated that Item D and F are removed from the agenda.

Council Member J. Johnson made a motion to approve the amended agenda. Council Member Jones seconded the motion. The motion passed unanimously.

V. Code of Ethics and Front and Center Strategic Plan
Mayor Kutteh stated that the council members try to follow the code of ethics each meeting.

VI. Presentations & Recognitions
Mayor Kutteh called Laytona Graham to speak regarding the Back to School Bash. She thanked all the staff members who contributed to the event. She stated that they served over 600 families in the community.

Mayor Kutteh stated that she did a good job of coordinating our community partners.

VII. <u>CONSENT AGENDA</u>
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A. **Consider approving the July 10, 2025 Pre-Agenda and the July 14, 2025 Regular Meeting Minutes.** (E. Kurfees)

B. **Consider approving Budget Amendment #2026-03 for the transfer of $370,000.00 from appropriated fund balance to the Statesville Police Department Capital Account for the purchase of the BATT X armored vehicle. (Onley)**

C. **Consider approving Budget Amendment #2026-4 to transfer funds from the Fund Balance to the Fire Station 5 Project Fund. (G. Kurfees)**

D. **Consider approving a 25 year ground lease for the construction of a hangar for Crosswinds Aerospace. (Ferguson)**
The Council decided to delay this item until the Telics rate study is completed.

E. **Consider passing a resolution directing the City Clerk to investigate a petition of annexation, AX25-06 filed by Mr. Richard Bollerup for his parcel located at 2110 E Greenbriar Road, receive the City Clerk's Certificate of Sufficiency, and consider passing a resolution fixing a date of August 18, 2025, for a public hearing for the petition of annexation. (Kirkendall)**

F. **Consider approving the second reading of the proposed text amendment TA25-01 by Downtown Statesville Development Corporation to allow Drinking Establishments in the Central Business (CB) Zoning District. (Kirkendall)** Council decided to postpone this item until September 15th meeting.

G. **Consider passing the second reading of Rezoning Request ZC25-11 for The Oaks at James Farm; property located at the intersection of Jane Sowers Road and James Farm Road to rezone from Iredell County R-20 (Single-Family Residential) District to City of Statesville R-5MF CZ (High Density Multi-Family Residential Conditional Zoning) District. (Caulder)**

H. **Consider approving the second reading of an ordinance to regulate begging, panhandling, or soliciting contributions. (Onley)**

Mayor Kutteh called for a motion on the consent agenda.

Council Member Allison made a motion to approve the consent agenda. Council Member Wasson seconded the motion. The motion passed unanimously.

<u>**REGULAR AGENDA**</u>

VIII. Receive an update on the Monroe Street Redevelopment Corridor. (Caulder)

Caulder stated that the Monroe Street Corridor is a main gateway into the City. He stated that the area wide plan designated this area as a revitalization corridor. There are many code violations in this area.

Caulder discussed the Brownfields Program with the EPA that can help with the revitalization. The grant will allow to remove some contamination to make the property a developable property. He provided an example in Gastonia, NC.

Caulder reviewed the properties that are violating the city code and minimum housing ordinances. Lesley Marion began to discuss some of the minimum housing violations. At 309 Monroe Street, staff sent an advisory letter, and this property is in probate.

At 319 Monroe Street, the property is in disrepair and currently on our list to be demolished. The property is occupied. Smith asked if this is the only property that is occupied. Marion stated that this is the only property on Monroe Street. Council Member Pearson asked what would happen with the occupant if the home were going to be demolished. Marion stated she spoke with social services to see if there are any services that the occupant may qualify for. Council Member Allison asked if the occupant is the owner of the property. Marion stated that they are the heirs of the property.

409 Monroe Street went into civil citation. The property has been listed for sale and has a closing date of the end of August. The buyer is interested in remodeling the home.

520 Bond Street: requested a demo permit and it will expire in November 2025. Caulder stated that a developer is trying to purchase the property to put a new home there.

Jay Daniels spoke about the code enforcement in the area. At 514 Monroe Street, he began enforcement in 2024. The property is occupied with trailers currently. We have transferred this property over to legal.

540 Monroe Street: this property is a similar issue to 514 with a different property owner. He stated that he worked with this owner before and transferred it to legal because of prior experience with the property owner.

810 Jackson Street: this property has many vehicles and trash in the yard. The property owner has been removing some trash and debris. This property has also been sent to Legal. There are multiple violations that are active on this property.

Council Member Allison asked how the staff keep track of the properties. Caulder stated that the council can support the code enforcement with difficult cases and spend money to clean up the properties. Messick stated that residential and commercial are enforced the same way.

Caulder stated that 818 Clay Street was recently added to the list and code enforcement sited the property. The property owner cleaned the property and put up a fence.

533 Monroe Street: code enforcement sent a letter for trash and debris. The deadline is tomorrow to come into compliance.

905 Garner Bagnal Blvd.: The property owner has cleaned up his property some, but the deadline is tomorrow to come into compliance.

Vacant Lot at the end of Monroe Street: this property is more difficult to bring into compliance. The street department has tried to mow the property, but they could not get in the fence.

700 Jackson Street: the business has a debris pile, and staff are trying to treating all businesses the same.

709 Wall Street: cited on July 8th for wrecked vehicle. The vehicle was removed from the property.

526 Bond Street: they have removed some but have until August 7th to come into compliance.

629 Monroe Street: the weeds growing out of the fence. The properties were sited, and they have started to remove the weeds.

Caulder stated that staff work with realtors and developers. Marion has worked to get 9 homes either to be redeveloped or demolished. On Jost Street, there are new homes built there, and the planning department worked with developers to revitalize the area.

Council Member Pearson asked about the properties at the end of Monroe Street. Caulder stated that property has an electrical easement. He stated that there was little minimum housing or code violations at the property.

Mayor Kutteh stated that we need to continue to do our best to stay on top of the code violations in the area.

IX. Consider passing the second reading of Rezoning Request ZC25-10 River Hills PUD; for located on U.S. Highway 64 between East Broad Street and River Hill Road for a major amendment to the approved concept plan. (Caulder)
Caulder stated that River Hills wanted to come back and amend their plan. This item is on the regular agenda because it was not a unanimous decision.

Mayor Kutteh called for a motion on this item.

Council Member Allison made a motion to approve the second reading. Council Member Jones seconded the motion.

Aye: S. Johnson, Pearson, Hudson, Lawton, Allison, Jones, Wasson
Nays: J. Johnson
The motion passed 6 to 1.

X. Consider passing second reading approving a Revised Development Agreement for River Hill's Planned Unit Development (PUD; ZC25-10) for properties located on US 64 between East Broad Street and River Hill. (Ashley)
Ashley stated that the development agreement has been updated to show the change in the plan.

Council Member Allison made a motion to approve the second reading. Council Member Jones seconded the motion.

Aye: S. Johnson, Pearson, Hudson, Lawton, Allison, Jones, Wasson
Nays: J. Johnson
The motion passed 6 to 1.

XI. Consider appointing two regular members to the Board of Adjustment. (Kirkendall)
Mayor Kutteh stated that the alternates have not been contacted and asked if the council would like the postpone this item to the next meeting.

Council Member S. Johnson stated that the board requires some experience because of the property decisions. He is in favor of postponing.

This item has been postponed to the next meeting.

XII. Consider approving a request to waive annexation for Kelly Farm to receive a connection to City Water services. (Vaughan)

Caulder stated that Kelly Farms development is located at the southern most tip of the City. The development is 85 single family homes on 91 acres. They would like to connect to city water at the outside rate. They also want to extend the water line at their expense. The developers will need the council to waive the annexation requirement. The site is outside of the Land Development Plan. We have not assigned any character intent or growth tier to the property. If annexed, the property would be served by Fire Station 1 with a ten minute response time. Also, all other services would need to be provided. The property is on our side of the Iredell Water service line.

Staff recommends approving the exemption from annexation and allow the property to be serviced by City water at the outside rates.

Council Member S. Johnson asked for more details about where the property is.

Vaughan stated that the lower part of the property is an opportunity zone for commercial development. Continuing the water line could increase our benefit at getting additional commercial development.

Mayor Kutteh called for a motion on this item.

Council Member Allison approved to waive annexation and serve the development with City water. Council Member J. Johnson seconded the motion.

Council Member S. Johnson agreed with Vaughan that it could open up areas for commercial development.

Mayor Kutteh called for a vote on the motion. The motion passed unanimously.

XIII. City Manager's Report

Smith stated that the community has become better because of the work of the Statesville Police Department. He discussed the Community Fun Day at the Boys and Girls Club and the End of Summer Bash. He stated that 600 people came to the End of Summer Bash event. He thanked staff and community partners for their work at the event.

Smith provided an update on the construction projects. He stated that the parking deck is Phase 1 and then the PD Expansion. Both are currently on schedule. Airport Terminal Building is on schedule to be completed in December 2025. He stated that the sink hole on Tradd Street has been delayed until the end of August or first of September.

Smith stated that Statesville Public Power is getting a new outage management system to be notified of outages. Customers need to contact customer service to update their contact information.

Smith reviewed the Pinehurst culvert replacement project by the Stormwater Division.

Smith stated that Council put $275,000 in last year's budget to upgrade Kimbrough Park. The playground installation should be done at the end of the week. The shelter will be in the next phase.

Smith stated that we are almost done with our resurfacing project. They will begin the greenways soon. The Water and Meeting Street project has been complete. The sidewalk project should be started soon.

Waterline project has started. There will be many street closures. Staff is working with the hospital over the street closures.

The Brookwood Inn is a motel that has housed families for some time. The site is up for redevelopment. The city is working with others to help relocate the families at the Brookwood Inn. Pam Navey, who was an employee at the police, will be working for Fifth Street to help relocate the families.

Smith provided an update on the staffing, transfers, and new staff.

XIV. Advisory Boards Meeting Minutes

1. **June 12, 2025 Design Review Committee Minutes**

XV. Other Business

Mayor Kutteh stated that Pastor Burton died in a murder suicide over the weekend. Council Member Allison thanked the law enforcement officers who were there.

XVI. Closed Session (Following Pre-Agenda)

XVII. Adjournment

Council Member Allison made a motion to adjourn. The motion was seconded by Council Member Jones. The motion passed unanimously.

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Emily Kurfees, City Clerk Constantine H. Kutteh, Mayor