SPECIAL MEETING – October 30, 2024

The Lincolnton City Council held a Special Meeting on Wednesday, October 30, 2024 at 3:00 pm. in the Council Chambers of City Hall, located at 114 West Sycamore Street, Lincolnton, NC regarding the Court Square Adaptive Reuse project.

The following Councilmembers were presented and accounted for:

DEMENY HATLEY TIPTON

NOTE: Councilmember Poinsette and Councilmember Jetton were not in attendance.

Mayor Ed Hatley called the meeting to order. He noted the purpose of the meeting, after which, he recognized Mr. Josh Grant, the overseer of this project. Mr. Grant thanked Council for the opportunity to provide an update on the progress of the historic courthouse project. He introduced Ms. Marcia Perritt and Mr. Eric Thomas from the Development Finance Initiative at the University of North Carolina Chapel Hill School of Government, and Mr. Brett Sturm with the Department of Natural and Cultural Resources from the state historic preservation office. They all addressed Council about the project.

Mr. Grant began by giving an overview (update summary) of the various stages of the project up to where it is today. He reiterated the purpose of the meeting being to talk about the plan moving forward, transitioning from the finalization of the expenditure of the 4.5 million dollars from the state to the next stage in an effort to be proactive moving forward. Mr. Grant gave a recap of what has transpired over the past four years, starting with:

- Alternative Use Study report in 2020
- Steering committee recommendations in 2021
- UNC School of Government site & market analysis and financial feasibility in 2022
- Maurer Architecture final redevelopment scenarios & concepts in 2023
- JM Cope (CMARW) Construction drawings & interior demo and renovation work to begin currently in 2024

He talked about the public relations and community transparency, the community survey and the results, social media engagement, press releases and the landing page

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on the county website. Out of the responses/feedback received, Mr. Grant shared the Steering Committee and local Officials key points as:

1. Save the building
2. Determine highest and best use
3. Contribute to the local economy
4. Preserve history & culture
5. Consider the recent Capital investments
6. Gauge and consider feedback from the community
7. Provide for a mixture of uses now and in the future
8. Be unique and do not settle for only what neighboring cities and towns are doing.

Mr. Grant proceeded to speak to the role of Maurer Architecture to help strategically look at the Redevelopment scenarios focusing on functionality, cost and historic preservation. He explained that they looked at the "as-built" condition, and helped recreate the architectural drawings for the building and are currently working on the construction drawings. Mr. Grant reported that city and county leaders did reach a consensus on a final design concept Maurer developed which includes a food hall & cultural exhibit on the first floor, bar/lounge in the basement, event hall & history collection display on the second floor and offices & event suites on the third floor. He displayed the floor plans of the different floors, informing the council that the original balcony, which is a historical asset, has been re-exposed.

Mr. Grant spoke to the hiring of JM Cope, Construction Manager at Risk, and the guaranteed maximum price, with the construction manager being responsible for any project overages. He emphasized the very strong history with renovation projects of old historical buildings. Mr. Grant talked about Coaly Design, the registered landscape architect, and displayed a graphic of the latest rendition of what the grounds would look like. He pointed out that the ground will include formal space for memorials, a new statue of Benjamin Lincoln, for which the county is named after, and formal outdoor dining space. There will be a North Lawn dining space with ball and string lighting, new space for outdoor music & events. Mr. Grant stated that there will be site lighting & bollard lighting, all new sidewalks, better pedestrian connectivity in all four directions, everything will be coordinated with the city streetscape plan. Mr. Grant recognized the Historic Preservation Commission for their involvement, informing them that they have been integral to the project, approving all of the certificate of appropriateness.

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Giving a tentative timeline, Mr. Grant reported the interior selective demo was started and wrapped up over the summer, budget finalization happened this fall (September 2024). Mr. Grant express his desire to go to bid in December or January for the County's portion of the project, (finalizing the expenditure of the 4.5 million dollars) and potentially begin construction by the summer of 2025, which includes the ground work, as well as the interior renovation work to a point. He ended with next steps being:

- County Expenditure of State Funds ($4.5M)
- Eventual Change of Ownership

Mr. Grant spoke to the agreement signed by City Council, that included the courthouse, as well as the language in that agreement that there would be a separate agreement that would spell out the details, creating the additional next step of

- Develop an Action Plan
    - Public – Private partnership Potential
    - Private Development Potential

This, according to Mr. Grant, should be taking place during the gap between now and the summer of 2026. He stressed that much thought, discussion and work needs to go into developing and charting the course for the next phase, which is either a public/private partnership or a private sale, making sure that there are covenants protecting the building so that memorials cannot be removed and that historical elements of the local landmark designation cannot be changed.

Marcia Perritt and Mr. Eric Thomas, with the School of Government Development Finance Initiative, were in attendance and addressed the Mayor and Council members regarding the project. Ms. Perritt began by providing some background on the initiative, explaining why they were created and what they do. She gave a detailed overview of their scope of services, and explained the full scope of services they would provide if they are still involved when the choice is made.

With no questions from council members, Ms. Perritt continued through her presentation, addressing the current plan and a projected timeline. She talked extensively about the development assumptions and development considerations. In response to several questions from Mayor Ed Hatley, there was discussion regarding the advantages and disadvantages of private ownership compared to the city or county maintaining ownership of the property.

Ms. Perritt began with option #1, a Public-Private Partnership. She listed and summarized the pros and cons of each option, and explained how each option would work. Mr. Eric Thomas approached the podium to express his opinion and help answer questions as well. Both Ms. Perritt and Mr. Thomas offered a variety of ways that either option can be successful. City Manager Ritchie Haynes also offered some helpful information for Council to consider regarding the project and some of the risks involved.

With option #2, a complete private sale, Ms. Perritt reminded members that restrictions and covenants can be imposed, and uses of the building can be limited where the statutory authority allows. She also reminded that that the sale can be limited that the city or county maintains the grounds and only sale the building. Ms. Perritt, again, listed the pros and cons of this option as well, noting the risk involved.

Ms. Perritt described option #3 as something in between. This would be partial city ownership, where the city sells a portion of the building and retains ownership of the remaining space. She suggested this option as something to consider if unsuccessful with option #2, finding a buyer. She emphasized some of the same benefits as option #2, as well as some of the risk that this option would present.

There was discussion regarding some of the specifics of the options. Mr. Josh Grant addressed many of the questions that were asked and named several different ideas for the various spaces. Mayor Ed Hatley voiced his concerns and desire to keep a good working relationship/partnership with the Historical Society, not to be confused with Lincoln Landmark. He also stressed his thoughts about the importance of the Historical Society being allowed to use the space on the third floor and staying involved in the process. Mr. Grant assured members that a variety of things were considered and that an effort is being made to make sure that the mixture of uses play off of one another, being a mixed use of both retail and museum. Councilmember Demeny commented pointing out that the museum is the building and that the historical elements within the building can be rotated to maintain interest. In response to a question from City Manager Ritchie Haynes, Mr. Grant clarified that the 4.5 million did not include the leveling of the floor. Mr. Grant also spoke to some of the challenges experienced on the project and some of the unexpected work that will be required.

Continuing with the presentation, Ms. Perritt presented the scenario comparison again. There was more discussion in response to questions regarding the scenarios and what type of assistance would be available to help. Ms. Perritt, Mr. Thomas and

Mr. Grant all provided feedback/information in response. The traffic flow around the property was also discussed with Mr. Gant providing information obtained from discussions with NCDOT.

Mr. Brett Sturm, a restoration specialist with the state historic preservation office, was in attendance and spoke to the council about historic tax credits. Mr. Sturm distributed a handout to council regarding Rehabilitation Tax Incentives for Income-producing properties. Mr. Sturm provided detailed information regarding the programs as it may relate to the courthouse property. He spoke to eligibility and the criteria used. He also spoke to the application process and steps involved. There were questions and more discussion regarding the project. Mr. Sturm expressed his view of the potential in the project.

Mr. Josh Grant thanked City Council for the opportunity to participate in the meeting and share the information. With no further business Councilmember Jill Tipton made a motion to adjourn. Members voted unanimously in favor of the motion.

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DAPHNE INGRAM, CMC
CITY CLERK

ED HATLEY
MAYOR

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