Mayor Ed Hatley called the September 3, 2026 Regular Meeting of the Lincolnton City Council to order at 6:30 PM. The meeting was held at 114 West Sycamore Street, Lincolnton, NC. A moment of silence was observed, followed by the Pledge of Allegiance.

Mayor Ed Hatley presented a proclamation recognizing Constitution Week, noting that September 17th marks the anniversary of the United States Constitution. The proclamation was accepted by representatives of a local organization, who announced that a bell ringing ceremony would be held on September 17th at 4:00 PM at the old courthouse, with DAR also participating.

Approval of Regular Agenda

Mayor Ed Hatley noted one addition to the agenda: a change order for the Public Services Center, to be added as item 6c, to be presented by Assistant City Manager Scott Clark.

> **Motion to approve the Regular Agenda as amended was made by Council Member Jill Tipton. Members voted 4-0 in favor of the motion.**

Approval of Consent Agenda

Mayor Hatley highlighted two items within the consent agenda: a Proclamation for Patriot Day / National Day of Service and Remembrance (September 11th), and the adoption of the 2026-2027 City of Lincolnton Fee Schedule.

> **Motion to approve the Consent Agenda as presented was made by Council Member Roby Jetton. Members voted 4-0 in favor of the motion.**

Public Comment

Two speakers addressed the Council during the public comment period.

Anthony Huss spoke in opposition to the use of FLOCK camera surveillance systems in Lincoln County, arguing that the technology constitutes a mass surveillance apparatus that violates citizens' Fourth Amendment privacy rights. He referenced the county's history of resistance to tyranny and called on the Council to adopt an ordinance regulating or banning FLOCK camera systems, noting that other jurisdictions across North Carolina and Florida had taken similar steps.

Alan “Gunny” Hoyle addressed the Council regarding the importance of Constitution Week and the principles underlying American governance. He urged Council members to seek wisdom in their deliberations and to ensure that all ordinances remain consistent with and subordinate to the United States Constitution.

DRAFT

Public Hearings

ZMA-2-2026
Town & Country Shopping Center Rezoning from Planned Business to General Business

Planning Director Jean Derby presented the application from TC Lincolnton, LLC, requesting the rezoning of the Town & Country Shopping Center at 626–656 Center Drive (Parcel IDs: 93136, 93137, 00382, and 00406) from Planned Business (PB) to General Business (GB). The property consists of four parcels encompassing a 54,904 square foot strip mall built in 1966, prior to the adoption of zoning regulations.

Director Derby explained that the property is more suited to the General Business district in part because, as a Class C shopping center, it does not meet the 200-foot setback from residential uses required under Planned Business zoning—it sits only 166 feet from residential uses. The applicant, who was not present at the meeting, indicated the purpose of the request was to attract a wider variety of tenants to fill two vacant units. Director Derby noted that approval would add additional permitted uses to the property, including automobile body shops, recycling depositories, smoke shops, and hotels, among others.

The Planning Board voted unanimously to recommend denial, expressing concern that some of the additional permitted uses would not be appropriate for the area.

Public comment was received from two speakers. Allen Hall urged the Council to deny the request, arguing that the applicant had not sufficiently disclosed the intended future uses for the property. Gene Poinsett, a resident of the nearby Forest Hills neighborhood at 125 Woodvale Circle, spoke in opposition, expressing concern that approval would give the property owner broad latitude to introduce incompatible uses such as automotive repair shops, vape shops, and service stations. He also cited potential traffic impacts at the already-busy intersection of Country Club Road and Laurel Street, and suggested that any individual use not permitted under the existing zoning should instead seek a conditional use permit.

Motion to close the public hearing was made by Council Member Jill. The motion carried unanimously.

Motion to deny ZMA-2-2026 as recommended by the Planning Board was made by Council Member Roby. The motion carried unanimously.

ZTA-3-2026
Amendment to Allow Funeral Homes as a Permitted Use in the Central Business District

Planning Director Derby presented the application from Ashley Workman Stoffa requesting an amendment to Section 153.113 of the Unified Development Ordinance to allow funeral homes as a permitted use in the Central Business District (CBD).

Director Derby provided historical context, noting that in 2017 the Downtown Steering Committee sought to restrict certain uses from the CBD in order to maintain

DRAFT

its retail and restaurant character. Funeral homes are currently permitted in the Office Institutional and General Business zoning districts but are not defined or permitted in the CBD. Staff noted a significant parking concern, as the CBD does not require off-street parking and a funeral home's need for procession space could be problematic, though the applicant's targeted property at 236 East Main Street does have approximately 14–19 parking spaces.

Rather than recommending a straight text amendment to allow funeral homes as a blanket permitted use throughout the CBD, staff proposed the creation of a new Downtown Conditional District overlaying the Central Business and Central Business Transitional districts. This district would require any applicant seeking certain uses—including funeral homes without a crematorium, churches, banks, bed and breakfasts, Class A shopping centers, day care centers, and event centers—to apply for conditional rezoning and appear before the Planning Board and City Council. This approach would preserve Council oversight on a case-by-case basis while providing a regulatory pathway for desirable uses that had previously lost their avenue through the elimination of conditional use permits during the 2021 UDO rewrite.

The applicants, Ashley Stoffa and business partner Doug Ballard, presented on behalf of their proposed business, Evergreen Funeral Home. Ms. Stoffa outlined the modern funeral service model, noting that North Carolina's cremation rate stands at 65 percent and is projected to reach 70 percent by 2030, reducing the need for large traditional facilities. Their intended use of 236 East Main Street would primarily serve as an arrangement office and for private family viewings, with services held off-site at local churches or venues. Ms. Stoffa emphasized that no funeral processions would originate from the downtown location, and that all transfer of decedents would occur discreetly via the rear entrance. The proposed crematory and refrigeration facility would be located at 4429 West NC Highway 27 in Vale, outside city limits.

Council discussion centered on the proposed on-site embalming component. Some members expressed discomfort with embalming being conducted in a downtown Main Street setting, citing concerns about the atmosphere and character of the district. Other members were more receptive, noting that the operation would be essentially invisible to the surrounding community given the applicant's proposed privacy measures including gated rear access and fencing. Director Derby clarified that if the text amendment were approved that evening, it would not authorize the funeral home itself—the applicants would still be required to return with a specific conditional rezoning application, at which point the Council could impose conditions including restrictions on embalming. Staff confirmed that a zoning permit for a storefront-only funeral planning operation had already been issued to the applicants, as that use was permissible without any zoning change.

The Planning Board voted 4–1 in favor of approving the text amendment.

Motion to close the public hearing was made by Council Member Kevin Demeny. The motion carried unanimously.

Motion to approve ZTA-3-2026 per the Planning Board's recommendation was made by Council Member Kevin Demeny. The motion carried 3–2, with the Mayor casting the deciding vote in favor.

DRAFT

ANX-2-2026
Annexation of Contiguous Property at N. Aspen Street
(Parcel ID 21600)

Planning Director Derby presented the petition for voluntary annexation of a 6.022-acre parcel owned by Judy Jones, located at 2350 North Aspen Street (Parcel ID 21600). The property is directly adjacent to the existing city limits and meets all statutory requirements for contiguous annexation under NCGS 160A-31. The City Clerk certified the petition as sufficient. The applicant's reason for the request was to connect municipal water and sanitary sewer for a proposed development.

Staff noted that city services to the property would include police and fire protection, with minimal impact given the property's proximity to the existing service area. Solid waste collection would not be provided by the city, as the proposed project would utilize a private road. If annexed, the property would be added to Ward 4. Staff projected annual recurring revenue to the city of approximately $189,000 once fully developed, with approximately $500,000 in one-time development-related fees.

No public comment was received.

> **Motion to close the public hearing was made by Council Member Jill Tipton. Motion carried 3-1.**
>
> **Motion to approve the ordinance extending the corporate limits of the City of Lincolnton to include Parcel ID 21600 on N. Aspen Street, effective September 3, 2026, was made by Council Member Kevin Demeny. The motion carried 3–1.**

CZ-7-2026
Planned Residential Development, 68 Townhomes at
2350 and 1912 N. Aspen Street

Planning Director Derby presented the application from Piedmont Companies requesting an amendment to an existing site plan to incorporate a newly annexed parcel for a total area of 7.324 acres within a Planned Residential Development (PRD). The proposal calls for 68 individually parceled and sold townhomes—not rental apartments with a footprint of 900 square feet and a total living area of 1,800 square feet. The project will provide 157 parking spaces against a requirement of 136. The site plan includes 17 buildings of four units each, green space between buildings, a playground, and supplemental off-street guest parking.

Director Derby noted that the property was previously approved in 2021 for a 72-unit rental apartment complex. The current proposal replaces that approval with individually sold townhomes. Staff recommended amending the future land use map to place the entire combined parcel within the Residential High Density planning area for consistency and clarity, rather than maintaining a split designation.

Conditions of approval include submission of complete civil drawings, compliance with all applicable city, county, state, and federal requirements, combination of parcels by deed, no encroachments on the sewer easement, adherence to fire code

DRAFT

Appendix D, and construction of private sidewalks to city standards. The Planning Board voted unanimously in favor of approval.

No public comment was received beyond a brief dialogue with the applicant's representatives confirming no questions from the Council.

Motion to close the public hearing was made by Council Member Mark Johnson. The motion carried unanimously.

Motion to approve CZ-7-2026 as recommended by the Planning Board, including approval of the statement of consistency and the amendment to the future land use map to Residential High Density, was made by Council Member Kevin. The motion carried unanimously.

ANX-3-2026
Annexation of Contiguous Property off Shell Street
(Parcel ID 57290)

Planning Director Derby presented the petition for voluntary annexation of a 12.175-acre parcel owned by Judy Jones, located off Shell Street (Parcel ID 57290). The property is directly adjacent to the city limits, backing up to Colonial Village Apartments and adjacent to Lincoln Meadows. The petition was certified as sufficient by the City Clerk. The applicant seeks connection to municipal water and sewer for a proposed development of 28 single-family homes ranging from 1,800 to 2,500 square feet by-right project under the existing Residential Multifamily zoning, requiring no rezoning action at this time.

Unlike the Aspen Street annexation, this project would utilize public streets (connected via a new road to Wilma Sigmon Road rather than the existing dead-end Shell Street), and accordingly, city solid waste services would be provided. Staff projected annual recurring revenue to the city of approximately $57,000, with approximately $200,000 in one-time development fees.

Council members noted the desirability of bringing the property into city limits given that development was likely to occur regardless and expressed a preference for city-served rather than county-served residential growth in that location.

Motion to close the public hearing was made by Council Member Jill Tipton. The motion carried unanimously.

Motion to approve the ordinance extending the corporate limits of the City of Lincolnton to include Parcel ID 57290 off Shell Street, effective September 3, 2026, was made by Council Member Mark Johnson. The motion carried unanimously.

DRAFT

Consider the Adoption of a Proposed One (1) Year Moratorium on Data Storage Facilities — Tabled from the August Meeting

City Manager Ritchie Haynes presented findings from the past month of research into data center development, which had been tabled at the August meeting. He outlined key infrastructure and land use impacts associated with data centers, including high energy consumption (to be supplied by Duke Energy or REA, not the city), substantial water demands (though newer closed-loop systems significantly reduce water usage—one prospective project was estimated to require only 600,000 gallons annually), equipment noise, and large visual footprints. He emphasized the significant fiscal opportunity, noting that a single large data center could generate between $2.5 and $3 million in annual property tax revenue for the city—approaching one-third of the city's total current annual revenue of approximately $8 million.

City Manager Haynes noted that data centers are already prevalent in the region, citing Apple in Maiden (operating for 15 years), Microsoft in Catawba County, Google in Lenoir, and others in Hickory, Conover, and Forest City. He reported attending a session in Statesville and preparing to attend a Kings Mountain work session on September 9th, a School of Government workshop on September 10th, and a joint workshop with Lincoln County planned for November. A Central Inacon workshop was also scheduled for October 28th. He indicated that two consulting firms had been identified to assist staff, and that he had been in contact with other municipalities including Salisbury, which recently adopted data center text amendments.

Zoning Administrator Ashley Jones emphasized that the city's current UDO contains no data center-specific standards—no noise limits, extended setbacks, or other protective regulations—creating the risk that an applicant could submit a permit application under an existing compatible use classification with no conditions available to impose. She stressed the need to develop comprehensive standards, including enforcement mechanisms with "teeth," before any application is processed.

Lincoln County Economic Development Director Cliff Brumfield confirmed that the county had already held an information session with Catawba County's economic development leadership and indicated that a joint educational forum was being organized. He noted that the county's industrial zoning already permits data centers by right and underscored the importance of fact-finding and ensuring any development genuinely benefits the community over the long term.

Public comment was received from Allen Hall, who questioned the underlying motivations for siting data centers in the city rather than the county, raised concerns about water quality in closed-loop systems, the risk of hazardous transport of treated water, grid reliability, electromagnetic field exposure, and the liability implications for local fire departments.

Council discussion centered on the appropriate duration of the moratorium. Planning staff had requested six months, which would bring the matter back before Council at the March 2027 meeting with a proposed text amendment in hand. One Council member preferred a shorter target deadline of January 1, 2027, arguing that a good-faith effort could produce results faster and that the moratorium could be extended if necessary. Council and City Attorney discussed the statutory requirements for

extension under NCGS 160D, which require that the city demonstrates it has taken all reasonable and feasible steps to address the underlying issues before any extension may be granted.

A motion for a six-month moratorium failed 3–2. A subsequent motion for a moratorium ending January 1, 2027 carried 3–1.

> **Motion to approve a moratorium on the acceptance, processing, and approval of applications for data storage facilities within the City of Lincolnton lasting six months (through March 2027), as requested by Planning staff, was made by Council Member Jill Tipton. The motion failed 3–2.**
>
> **Motion to approve a moratorium on the acceptance, processing, and approval of applications for data storage facilities within the City of Lincolnton, terminating January 1, 2027, was made by Council Member Kevin Demeny. The motion carried.**

Resolution of Directing the Clerk to Investigate an Annexation by Petition Received Under NCGS 160A-31 concerning property located at 916 Wilma Sigmon Road — Deferred

This item was deferred to the October 2026 City Council meeting. No action was taken.

Industrial Development Incentive Grant Program for New and Existing Industries

Lincoln Economic Development Association (LEDA) Executive Director Cliff Brumfield presented recommended amendments to the City's Industrial Development Incentive Grant Agreement. He noted that the county's Board of Commissioners had adopted similar revisions in June 2026 and that the goal was to align city and county policies for clarity, transparency, and consistency.

Key amendments included: (1) adding an explicit deadline in the agreement that projects must be completed no later than December 31st immediately following the end of the 24-month qualifying period; (2) modifying the job creation requirement to allow qualifying investments that retain existing jobs in competitive situations, not only those that create net new positions; (3) incorporating language confirming that all grant payments are withheld until project completion and that all city and county real and business personal property taxes must be paid in full before any grant disbursement; and (4) providing a mechanism for filing a recorded amendment to the original grant agreement when the final verified investment amount differs from the projected figure, ensuring the public record is complete and accurate regardless of personnel changes over time.

> **Motion to approve the amendments to the Industrial Development Incentive Grant Program as presented was made by Council Member Kevin Demeny. The motion carried unanimously.**

DRAFT

Lincoln Economic Development Association (LEDA) Update

Director Brumfield provided an update on LEDA activity. New and pending projects over the past year included Cattle North America, Blue, GNDM, Active Concepts, Leboi, IDAC Technologies, Lincoln County Fabricators, and Kirk and Matts—all within or near the city. Three additional expansion announcements were expected within six to eight weeks.

He reported that after a considerable slowdown, recruitment inquiries had increased noticeably over the past six months, with 34 new information requests submitted in the last fiscal year and approximately nine since July 1st. LEDA continued to focus on quality of fit for Lincolnton rather than volume of prospects.

Recent business openings assisted by LEDA included Milk and Honey Mercantile, Sunset Slush, the Antiques Gallery, and My Baby Bargains. Upcoming openings included Aspen Outpost and Sunshine Kitchen. Two significant regional recruitment events were planned for the coming weeks: a three-day Charlotte Business Alliance site consultant showcase and the annual NC Economic Development Partnership "NC 100 Tour." Available market-ready properties highlighted included a Class A spec building at Midway 321 by Crescent (the Lincoln County Business Park) and a former American Tire facility of 304,000 square feet.

Director Brumfield also noted the Riverbend development in Gaston/Lincoln County and the Lincoln Commerce Center at Highway 16/73, which houses two U.S. headquarters, with additional buildings planned.

Upcoming LEDA events include the Annual Forklift Rodeo at Gaston College's Lincoln Campus on October 2nd and the Annual Industrial Appreciation Event at Vesuvius Finishing on October 22nd.

BA-08-26
Consideration of Request to Approve Budget Amendment to the Annual Budget Ordinance for the Fiscal Year ending June 30, 2027

Finance Director Pamela McBryde presented Budget Amendment BA-08-26, requesting a total addition of $419,878 to the annual budget ordinance across multiple funds.

In the General Fund, a total of $141,480 was requested, consisting of: a foundation grant of $120,377 received by Fire Chief McConnell for critical equipment for two new fire engines; $19,330 in street department repair invoices for utility cuts; $1,162.99 in insurance settlements for damage to streetscape bollards and similar fixtures; and $610 in additional police department fees.

In the Water and Sewer Fund, a total of $278,152 was requested, consisting of: a third PFAS settlement in the amount of $254,692.95, designated for generators at the wastewater treatment plant; an insurance settlement of $1,507.78 for a damaged fire hydrant; and the city's first-ever water and sewer system development fee receipts of $2,747 (water) and $11,160 (wastewater).

In the Electric Fund, $246 was requested, representing rental overage from Charter Communications and collections from T-Mobile Communications.

Motion to approve Budget Amendment BA-08-26 in the amount of $419,878 was made by Council Member Roby Jetton. The motion carried unanimously.

Consideration of Contract Electric Metering Project between the City of Lincolnton and Lincolnton Housing Authority

Finance Director McBryde and Electric Director Grant Bennett presented a cooperative metering arrangement with the Lincolnton Housing Authority. The city currently provides master metering to five public housing areas via aging potential transformer (PT) and current transformer (CT) equipment mounted on 7,200-volt poles, with the Housing Authority reading individual unit meters internally. The existing electromechanical meters have degraded with age—one recently inspected meter was found to be running approximately 10 percent slow—resulting in lost revenue to the city. Under the proposed arrangement, the Housing Authority would purchase updated meters and the city would provide installation and system integration services. The total cost for a complete equipment replacement on the city's poles would have been approximately $62,300; the collaborative approach eliminates that capital expense while recovering accuracy losses estimated to be significant across approximately 200 meters. Both parties benefit: the city recovers accurate billing revenue, and the Housing Authority avoids separate labor costs for meter management.

Motion to approve the Electric Metering Project contract between the City of Lincolnton and the Lincolnton Housing Authority was made by Council Member Jill Tipton. The motion carried unanimously with members voting 4-0.

Resolution Authorizing the Surplus and Donation of Recreational Equipment

Public Services Director Nathan Eurey presented a resolution to declare three older pickleball net systems as surplus and donate them to Special Olympics of Lincoln County. The city recently purchased three new wheeled pickleball net systems, replacing the originals acquired around 2017–2018. The city supports Special Olympics of Lincoln County by providing facilities for practices and staffing for their annual bowling competition and spring track and field games. The organization had recently added pickleball to its athletic offerings. The required public notice period had been completed.

Motion to approve the resolution authorizing the surplus and donation of three pickleball net systems to Special Olympics of Lincoln County was made by Council Member Roby Jetton. The motion carried unanimously.

DRAFT

Consideration of Request to Appoint the Nominations for the 2026-2027 Student Advisory Council

City Clerk Daphne Ingram presented nominations for the 2026–2027 Student Advisory Council. Each school had submitted five names through the standard process; however, an additional six students had independently expressed interest in serving—one from Lincolnton High School, two from West Lincoln, and three from East Lincoln—creating six candidates for three council-appointed seats.

A Council member moved to expand the council-appointed seats from three to six, allowing all interested students to participate rather than excluding any who had taken the initiative to apply. Council members expressed unanimous support for the principle that young people seeking civic engagement should be welcomed rather than turned away.

> **Motion to expand the council-appointed seats on the 2026–2027 Student Advisory Council from three to six, thereby appointing all six additional student nominees, and to approve the school-submitted nominations, was made by Council Member Kevin Demeny. The motion carried unanimously.**

Consideration of Request from the North Carolina Department of Transportation — Abandonment and Acceptance of S. Cedar Street

City Manager Ritchie Haynes explained that a short section of South Cedar Street—from Main Street to the bridge—had been added to the city's Powell Bill inventory at NCDOT's request some years ago. In a subsequent audit of NCDOT's paving inventory, it was discovered that the department had inadvertently retained the segment on its own books and had repaved it. This resolution formally acknowledges the transfer, ensuring the city receives Powell Bill credit for the segment, which is now confirmed to be on the city's maintenance responsibility. No financial outlay was required.

> **Motion to approve the acceptance of S. Cedar Street from NCDOT as presented was made by Council Member Mark Johnson. The motion carried unanimously.**

Consideration of Request Extension of Naming Right for First Federal Park

City Manager Haynes presented a proposal from First Federal Savings Bank to renew and extend their naming rights agreement for First Federal Park for an additional 25 years. He noted that the park—originally conceived during a recession by former Council Member Devin Ryan—has been open for approximately nine years and has been a highly successful community asset and partnership.

Under the proposed terms, First Federal Savings Bank would make a total donation of $100,000: $75,000 paid prior to the effective date, and $25,000 paid in five annual installments of $5,000 each, adjusted upward for cost of living by up to 3 percent

DRAFT

annually. All funds would be earmarked exclusively for the hard costs of improving or maintaining the park, with no more than 10 percent for administrative purposes. City Manager Haynes recommended directing those funds toward Phase 2 of the park's development, noting that when combined with $100,000 already earmarked by the City Council and $100,000 earmarked from tourism funds for playground equipment, the total Phase 2 fund would reach approximately $300,000.

City Manager Haynes recommended that the 25-year term not begin until September of next year, given that delays during the original park construction resulted in the current agreement's effective start date being deferred. He requested authorization to direct legal staff to finalize the contract for inclusion in the consent agenda at the next Council meeting.

Motion to approve the extension of the naming rights agreement for First Federal Park as outlined was made by Council Member Jill Tipton. The motion carried unanimously.

Request to Approve Change Order for the Public Services Facility Project Entrance/Parking Lot

Assistant City Manager Scott Clark reported that during construction of the new Public Services Facility, the general contractor, Edifice Construction, encountered unforeseen unsuitable subgrade conditions along the project entrance—an area that has accommodated heavy truck traffic since the 1960s. Three remediation options were presented, ranging from a high-cost, low-risk option involving a 6-foot undercut ($672,000) to a moderate-cost option and a lowest-cost, higher-risk option.

After consultation with City Manager Haynes, staff recommended Option 3: a 1-foot undercut of the soft clay material, installation of stone and geotextile fabric, and application of heavy-duty asphalt, with a recommended mill-and-resurface maintenance cycle of approximately every five years. Given the entrance's long history of bearing heavy loads without apparent failure, staff was comfortable accepting the moderate risk associated with Option 3. Additionally, $56,000 in existing project allowance funds could be applied toward any overages.

Motion to approve the change order for the Public Services Facility entrance/parking lot in the amount of $129,229.25, plus a 15 percent contingency, as presented under Option 3, was made by Council Member Kevin Demeny. The motion carried unanimously.

Adjournment

Being no furth business, motion to adjourn was made by Council Member Roby Jetton. The motion carried unanimously. The meeting was adjourned.

Daphne Ingram, City Clerk	**Ed Hatley, Mayor**

DRAFT