



SITUATION REPORT

IMAGINE KANNAPOLIS
STRATEGIC PLAN

APRIL 2022

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A. OVERVIEW

The purpose of the Situation Report is to provide critical data and a foundation for the Strategic Plan. This Report identifies factors which will influence Kannapolis both today and into the future. Generally, the Report will be focused on events, trends, issues, challenges, observations and expectations.

It is not the intent of this Report to suggest solutions to problems or strategies for any particular issue. That will be an exercise for other parts of the Imagine Kannapolis strategic planning process.

In fact, there may not be universal consensus among the users of this report regarding some observations. The Situation Report is simply a resource for strategic decision making.



LOCATION

Kannapolis is located within the Charlotte Metropolitan Statistical Area, about 20 miles northeast of downtown Charlotte, and along Interstate 85 in North Carolina. The greater portion of the City is in Cabarrus County while the northern part of the City lies in Rowan County. Kannapolis is bounded by the City of Concord to the south and southeast, the Town of Davidson and Mecklenburg County to the west, Iredell County and the Town of Mooresville to the northwest, the Towns of Landis and China Grove and unincorporated Enochville to the north, and unincorporated areas of Rowan County and Cabarrus County to the northeast and east.

More than 2.9 million people call the Charlotte region home. The region maintains approximately 1.5 million jobs with a gross regional product of \$187 billion (ranking 73rd in the world, similar to Rome, Stockholm, Berlin and Barcelona). The region, has experienced a 20% population growth since 2010 and a 17.3% growth in 20–34-year-old population, 26% growth in foreign-born population. 97 people move to the region daily. It is projected that the region will grow by another 14% by 2030.

Charlotte Douglas International Airport (30-minute drive from Kannapolis) is the main airport in the Charlotte region and the 6th busiest in the country. Kannapolis is minutes away from the Concord-Padgett Regional Airport and Mid-Carolina Regional Airport.

Amtrak provides passenger rail service between Charlotte and New York City with stops in Kannapolis.

The City is in the Piedmont of the state with a moderate temperatures and with easy access to the mountains and the coast, including the Port of Wilmington.



JURISDICTION	GROWTH RATE (2010-2020)
NORTH CAROLINA	9.5%
CHARLOTTE REGION	20.0%
CABARRUS COUNTY	26.8%
ROWAN COUNTY	6.1%
KANNAPOLIS	24.7%
CONCORD	33.1%
SALISBURY	5.6%
ROCK HILL	12.4%
MOORESVILLE	53.4%
HUNTERSVILLE	31.2%
GASTONIA	12.1%



CITY CHARACTERISTICS

- The City encompasses approximately 33 square miles with a population density of 1,596 persons per square mile.
- *Environmental:* Major waterways and lakes – from west to east: Rocky River, Coddle Creek/Park Creek (Lake Howell), Afton Run, Irish Buffalo Creek (Kannapolis Lake), Three Mile Branch, two unnamed tributaries to Coldwater Creek (Lake Concord), Coldwater Creek (Lake Fisher), Little Coldwater Creek. The abundance of these water features have a significant influence on land development patterns, transportation and environmental impacts such as flooding and water quality.
- *Transportation:* There are three numbered transportation corridors impacting the City (NC 73, NC 3, US 29). There are six interstate interchanges serving the City (south to north: exits 54, 55, 58, 60, 63, and 65). A major rail corridor managed by the State-owned N.C. Railroad Company splits the historical City boundaries in half; there is significant freight traffic and Amtrak passenger service between New York City and Charlotte with 3 daily stops in Kannapolis). Ride share services are limited in the City. CK Rider serves Concord and Kannapolis with fixed route transit services.
- *Residential Development:* About 20 square miles representing the core of City is mostly built-out. Most new development in these areas of the City are “infill” single-family attached and detached projects usually less than 10 units. The majority of larger-scale residential development is currently occurring on the western two growth areas (east and west sides of Lake Howell).
- *Commercial Development:* Historically has been concentrated in the Downtown area and along Cannon Boulevard (US 29) with more recent development patterns extending out Dale Earnhardt Blvd and the southern part of Kannapolis Parkway.
- *Industrial Development:* Post Cannon Mills, the majority has been along NC 73 and Kannapolis Parkway, more recently emerging at Afton Ridge at I-85, exit 54. To date, most of this development has been warehousing and distribution.



B. WHERE HAVE WE BEEN?

Historical Context

In relative terms Kannapolis is a young city, having only been in existence since 1906 and incorporated since 1984. While numerous cities across the nation have roots as a “company town,” very few were designed and built in such a comprehensive way as was Kannapolis.

Kannapolis, like most company-built communities, has transformed itself in the past two decades; this dramatic transformation has occurred in a way that has few parallels anywhere. “Unique” is often an overused word but with the story of Kannapolis, it fits.



CITY HISTORY

Kannapolis' unique history has experienced numerous transformations over the past 100 years. These transformations can be categorized in six distinct time periods:

The Company Town (1906 to 1984). There is no denying that the historical identity of Kannapolis can be found in its creation as a well-planned, self-contained company manufacturing town of Cannon Mills. This transformation from a rural farming community occurred over nearly eight decades. It provided for a wonderfully comfortable lifestyle for its inhabitants for several generations.

This history is also the origin of several of the challenges that continued to exist long after the company began to decline.

The Infant City (1984 to about 1998). The first decade after incorporation was spent working to establish a new normal regarding virtually all things related to self-governance. It is rare for a City the size of Kannapolis to incorporate and immediately begin providing all services that were previously provided by others. Over the next decade the City moved beyond its "childhood" and began maturing as a full-service City constantly exploring how to become a more competitive economic engine.

Battles emerged in the community (and even among and between City leaders) regarding the construction of a new minor league ballpark, mobile home park amortization, annexations and liquor by the drink.

The Adolescent City (about 1998 to 2003). After the 1998 Weaving a Shared Future visioning process it became clear that Kannapolis needed to move beyond its status quo as a new City still run by a textile company. Many new initiatives were pursued: establishment of a parks department, building a business park and establishing an active marketing and communication program.

During this time, the Charlotte region was in some ways reintroduced to the "new" Kannapolis. There were also signs during this time of looming changes in the remaining textile manufacturing foundation.



CITY HISTORY

The Devastated City (2003 to 2005). After the Pillowtex closure announcement, Kannapolis became the example for all to see of the distressing impact of the fading industrial base in North Carolina and many parts of the United States. During this time there was a major statewide and nationwide spotlight on the City and, while the City attempted to stay on its previous course, there was no denying the dramatic changes of which the City found itself in the middle.

Challenges were immense, declining municipal revenues, small business struggles and individual financial pain among them.

The Transforming City – Part I (2005 to 2008). After the monumental announcement by David H. Murdock of the development of the North Carolina Research Campus (NCRC) a different spotlight began to shine on the City. This spotlight was even brighter than the one that existed immediately after the Pillowtex closure. The region, the State, the nation and beyond became enamored and intrigued with the possibilities that came with such a huge project.

The City, Cabarrus County and others invested significant time, energy and money in doing all it could to promote and enhance this new future-altering project. There were very few things that took the City's focus off the NCRC during this time.

The Conflicted City (2008 to 2013). The Great Recession quickly began to extinguish the spotlight of the previous four years. The City, like most local governments and private sector organizations moved into survival mode. During this time new initiatives were few and far between due to frugal budgeting, limited resources and an uncertain future. Also, during the latter part of this time-period the City's identity began to become more mixed and muddled.

The NCRC growth, which was so dramatic during the previous period, began to slow, largely due to the economic downturn. This had an impact on the City as a whole. It was no longer clear what the City's future held. There appeared to be smaller pieces of several influences, often not aligned.



CITY HISTORY

The Transforming City - Part II (2014-Present). Building on the theme of human age progression, this period in the City's history feels like "adulthood." It is during this time that the City's financial condition improved in significant ways, due in part to new private investment but also to sound (sometimes difficult) choices by the City's elected leadership. Much of Kannapolis' previous 100 years was heavily influenced by others (e.g., Cannon Mills, Cabarrus and Rowan counties).

The most recent decade has been driven by bold actions of City Council representing the wishes of the long silent citizenry. This period saw a newly constructed City Hall and Police HQ, two new fire stations, a new minor league ballpark, and most notable of all, a complete transformation of the City's downtown.

During this time period the City governmental structure continued to evolve with departments expanded and added to meet the growing population. Thus, the number of employees increased. Departments such as Communications, General Services and Planning.

There were also struggles, most notably the impacts of Covid-19, although it appears that those impacts to the overall economic health of the City never materialized. Closing out this period is also a significant new issue centered on limited wastewater treatment capacity which may have some impact on the long-term private sector investment in the City – it is too early to tell if that will become a reality.



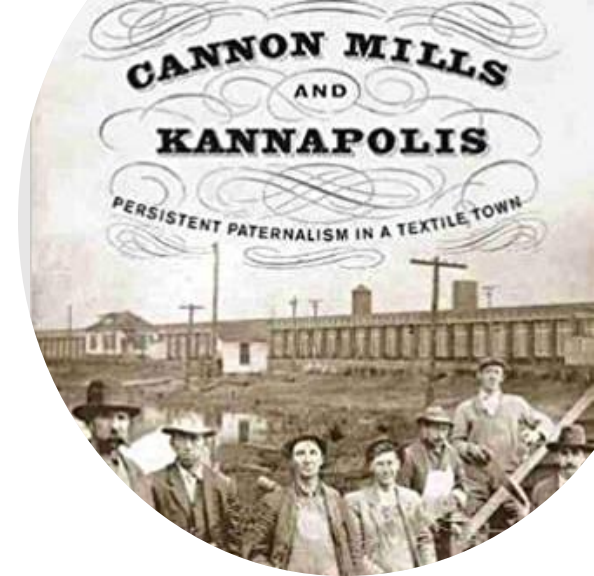
IMPORTANT MILESTONES

1906-1930

- J.W. Cannon acquires land that would become Kannapolis.
- Cannon Manufacturing Company Plant 1 constructed.
- First mill homes, school, churches, YMCA constructed.
- Main Street commercial district constructed (at First Street, “the Square”).
- Cannon Manufacturing Company Plant 4 constructed.
- 240-unit Mary Ella Hall constructed to provide housing for single women relocating to Kannapolis to work. A companion facility, Cabarrus Hall, was constructed on West Avenue closer to the Plant 4 site.
- Lake View Gasoline Station constructed at North Main Street at 3rd Street
- Town Park (now Veterans Park) constructed, complete with a bandshell.

1930-1960

- Montgomery Ward Building and Professional Building on Main Street constructed.
- Gem Theatre opens.
- 55-bed hospital constructed.
- Makeover of downtown into Colonial Williamsburg style Cannon Village.
- Cabarrus Bank & Trust opens on West Avenue.
- New YMCA opens (original building lost to fire in 1937).
- G.I. Town – 70 small houses for returning WWII soldiers – constructed near the current YMCA. One such house remains.
- Palace Theatre (designed to serve the African American community) constructed across from Carver School.
- Dixie Theatre constructed on South Main Street (Fifth Third Bank now sits).
- Swanee Theatre constructed on West Avenue.
- Little Mt. Vernon (War Memorial) constructed at Town (now Veterans) Park (demolished in the 1970s)
- Cannon Boulevard constructed.
- North and South Railroad overpasses constructed.
- A.L. Brown High School constructed.
- Commercial district on Cannon Blvd at Jackson Park constructed.
- Cannon Golf Club (now Irish Creek) constructed.



IMPORTANT MILESTONES

1960-1981

- I-85 constructed between China Grove and Mecklenburg County.
- Midway Shopping District developed. 40 active businesses at its height.
- Kannapolis City Schools established (an administrative unit of Cabarrus County schools established in 1935).
- Mary Ella Hall demolished.
- Cabarrus Shopping Center (Cannon @ MLK Ave) and Cloverleaf Plaza (Cannon @ I-85) constructed. Cabarrus Shopping Center was a \$1 million investment (\$8 MM in today's dollars)
- Cannon Mills patriarch Charles A. Cannon dies.
- Cannon Mills constructs 1 million square-foot Towel Distribution Center.
- First Cannon Mills union vote fails (two others would fail until 1999 when the workers voted to unionize).
- Kannapolis Chamber of Commerce established.
- Cannon Visitor Center opens in old Swanee Theatre.



IMPORTANT MILESTONES

1982 - 1997

- David Murdock buys Cannon Mills.
- David Murdock's \$25 million renovation of West Avenue and Cannon Village.
- Oak Avenue Mall constructed.
- Current YMCA constructed. Kannapolis branch library constructed. Land donated by David Murdock.
- Kannapolis votes to incorporate, November 1984. First City Council elected in April 1985.
- Amtrak Rail passenger service returns to Kannapolis (previously ended in 1964).
- Montgomery Ward Building and Professional Building downtown demolished.
- Baker's Creek Park constructed on land donated to Rowan County by David Murdock.
- Village Park constructed on land dedicated by David Murdock.
- David Murdock sells Cannon Mills to Fieldcrest Mills. Keeps commercial and residential real estate.
- Loop Road constructed.
- City purchases water system from David Murdock and Fieldcrest Cannon. Included the dam, water treatment plant, permanent rights to draw water from Kannapolis lake and 3,500 acres along Second Creek in Rowan County for a future reservoir (which never happens).
- Rowan Cabarrus Community College South Campus begins construction.
- Minor League Baseball comes to Kannapolis (team from Spartanburg SC), \$7 million baseball stadium constructed by Rowan-Kannapolis Regional Sports Authority.
- Liquor-by-the-Drink vote passed (third attempt).
- Creation of the Water and Sewer Authority of Cabarrus County.
- Western Area Annexations.
- Weaving a Shared Future Strategic Planning Exercise.
- Fieldcrest Cannon sold to Pillowtex.



IMPORTANT MILESTONES

1998-2012

- Dale Earnhardt and Bruton Smith buy 50% of the baseball team. Renamed the Intimidators. White Sox affiliation begins.
- Dale Earnhardt dies in race at Daytona 500. Dale Earnhardt Plaza constructed.
- Pillowtex Bankruptcy.
- Annexation of Area I (Kannapolis Parkway area)
- Dale Earnhardt Plaza constructed.
- Establishment of a Parks and Recreation Department.
- Kannapolis Parkway constructed.
- Property purchases from AAP, including Village Park and the old Post Office.
- Establishment of a professional City Fire Department.
- Summer Concerts begin at Village Park.
- Development of Kannapolis Gateway Business Park.
- City sells 3,500-acre potential reservoir site in Rowan County to various entities including the Land Trust for Central Carolinas.
- \$34 million revenue bonds for Water Treatment Plant expansion and Kannapolis Parkway utility extensions.
- Establishment of Concord-Kannapolis Public Transit System.
- Annexation Agreement with Concord.
- Legislative Authority for Western Growth Area annexations.
- Rogers Lake Road Extension/Kellswater Bridge project.
- Major Droughts/Inter-Basin Water Transfer.
- \$20M Albemarle Waterline in partnership with Concord and Albemarle
- Pillowtex Closure. Largest layoff in North Carolina History (4,300 jobs)
- Pillowtex facilities demolished.
- NCRC Development.
- \$30 million "TIF" Bonds issued to support NCRC.
- Dale Earnhardt Blvd constructed.
- Curbside recycling program created.
- Western Growth Area utility extensions.
- 2008-2011 Great Recession.
- Upgrades to Historic Kannapolis Cemetery



IMPORTANT MILESTONES

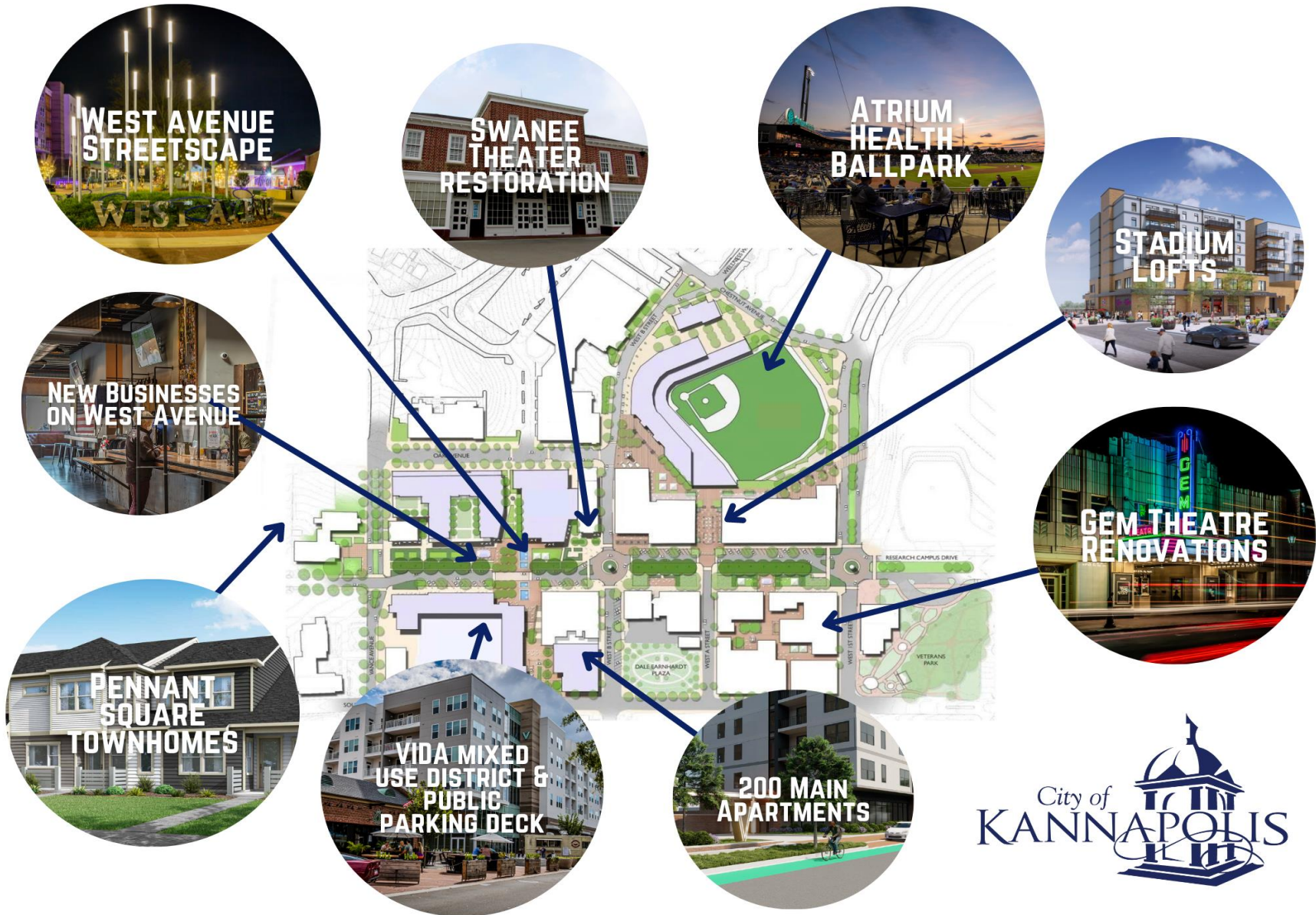
2013-2022

- Reconstruction of Veterans Park.
- \$32 million new City Hall and Police Station constructed.
- Conversion of the regional 911 Radio System to P-25.
- Irish Buffalo Creek Greenway Phase I constructed.
- Downtown Purchased from David Murdock and others for \$11 million.
- The City brought several services in house (planning, engineering, communications, Information technology) – part of the City maturation process.
- RCCC Cosmetology Program relocated from Downtown to Cannon Boulevard.
- \$30 million West Avenue Streetscape, Linear Park and Water & Sewer replacements constructed.
- Vida – the “Demonstration Project” completed.
- \$52 million Atrium Health Ballpark downtown constructed.
- Covid-19 Pandemic.
- Fire Stations 2 and 3 Replaced.
- Highway 3 Widening.
- All historic buildings downtown (sans the Gem Theatre) sold to private investors. More than 80% of retail space leased in less than 2 years.



IMPORTANT MILESTONES

Downtown Revitalization Project



CHALLENGES

Kannapolis has certainly experienced a roller coaster ride of positive and negative influences since its incorporation in 1984. Some of the challenges and shortcomings that have had an influence on decision making are listed below:

- **Early Municipal Growing Pains (1990's).** Difficult decisions were numerous during a time when the City government was new. These include the construction of a baseball stadium, railroad crossing closures, mobile home amortization, annexation controversies, and liquor by the drink votes.
- **Weather (multiple occasions).** Beginning with Hurricane Hugo in 1989, numerous severe weather events created substantial operational and budget challenges for the City. Flooding has been the primary impact. These potential events are always on the City's radar.
- **Water Capacity Issues (2000's).** Twice during the 2000's the City and its sister city Concord suffered through two devastating droughts.
- **Pillowtex Collapse (2000's).** Nearly 4,500 local jobs lost. City forced to take over water treatment function. Significant blow to employment. Took a decade or more to recover.
- **Great Recession (late 2000's, early 2010's).** Stunted the NCRC plans, never recovered. Tax revenues plummeted. New development stopped. Property values dropped precipitously.
- **Covid-19 Pandemic (2020's).** Workforce impacts were severe due to public health protocols. Cannon Ballers season delayed. Supply chain issues still lingering. Severe economic impacts (tourism & service sector mostly) and temporary unemployment but Federal assistance helped.
- **Wastewater Capacity Issues (2020's).** Relatively sudden wastewater treatment capacity constraints are impacting future growth and private sector development.



C. WHAT ARE WE LIKE NOW?

Demographic Trends

To describe Kannapolis as a “changing city” would be a significant understatement; but exactly *how* it has changed and how it continues to change are important questions.

In the following pages, these questions are answered. In a nutshell Kannapolis is growing, diversifying, becoming younger (and at the same time older), gaining more wealth and becoming more educated.

These are all good trends but there are lingering challenges and plenty of room for improvement.



POPULATION

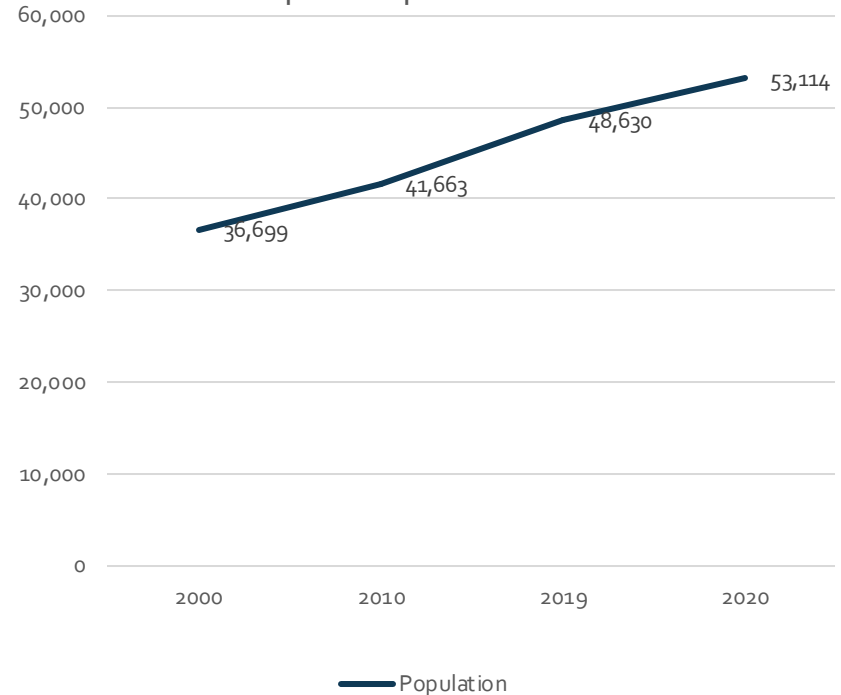
City Population

- Kannapolis has experienced 45% historical growth between 2000 and 2020.
- This translates into 2.2% annual growth. For cities the size of Kannapolis or larger, a rate above 2% is considered rapid growth; above 3% is extraordinarily rapid. However, annexation laws and local application vary greatly from place to place so growth rate comparisons have limited value.
- Another 45% growth means a population of 77,000 by 2040.

OBSERVATIONS:

- Strong City population growth over the past two decades which will likely continue.
- What does a city of 75,000-100,000 population look like and what do we need to do to prepare for this growth?

Kannapolis Population Growth



DIVERSITY

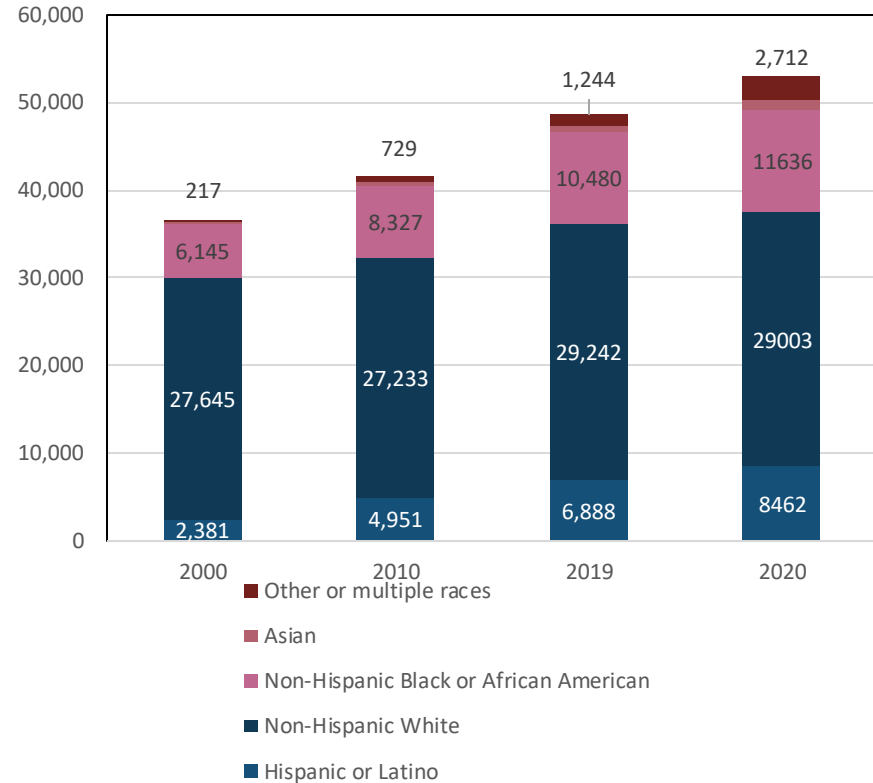
2000-2020 Kannapolis Growth by race and ethnicity:

- Hispanics/Latinos represent a 255% increase to 8,500 residents.
- Asians represent a 318% increase to 1,300 residents.
- Black/African Americans represent an 89% increase to 12,000 residents,
- Other or multiple races grew 11x to 2,700 residents.
- Non-Hispanic white resident growth only 4.9%, though still majority (55% of total population).

OBSERVATIONS:

- Minority groups are driving growth and there is no evidence that this trend will change over the coming decades.
- This is not unique to Kannapolis. These changing demographics are common across many similar sized cities across the nation.

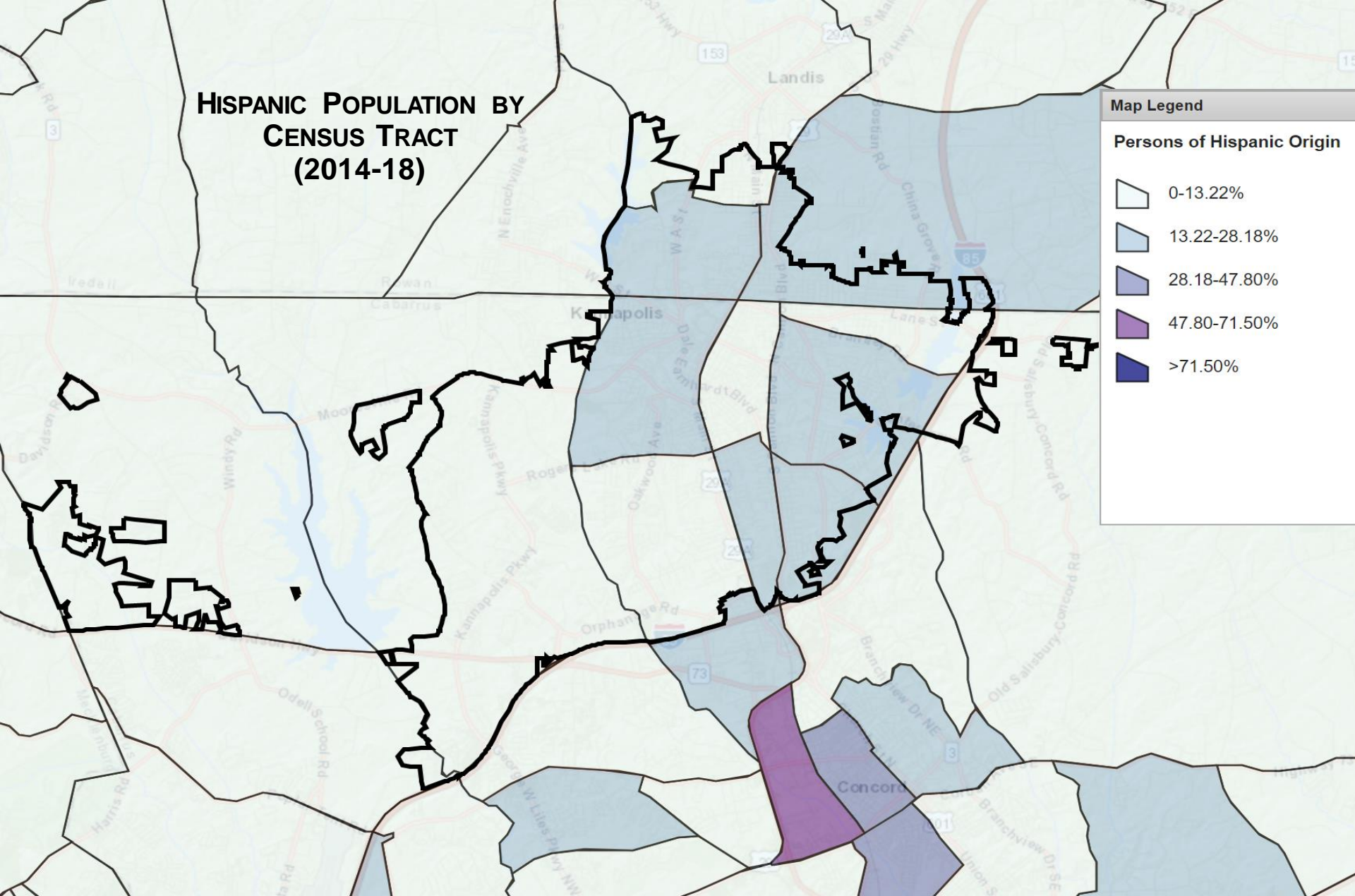
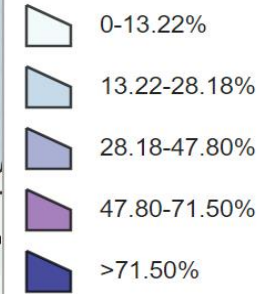
Kannapolis Race/Ethnicity



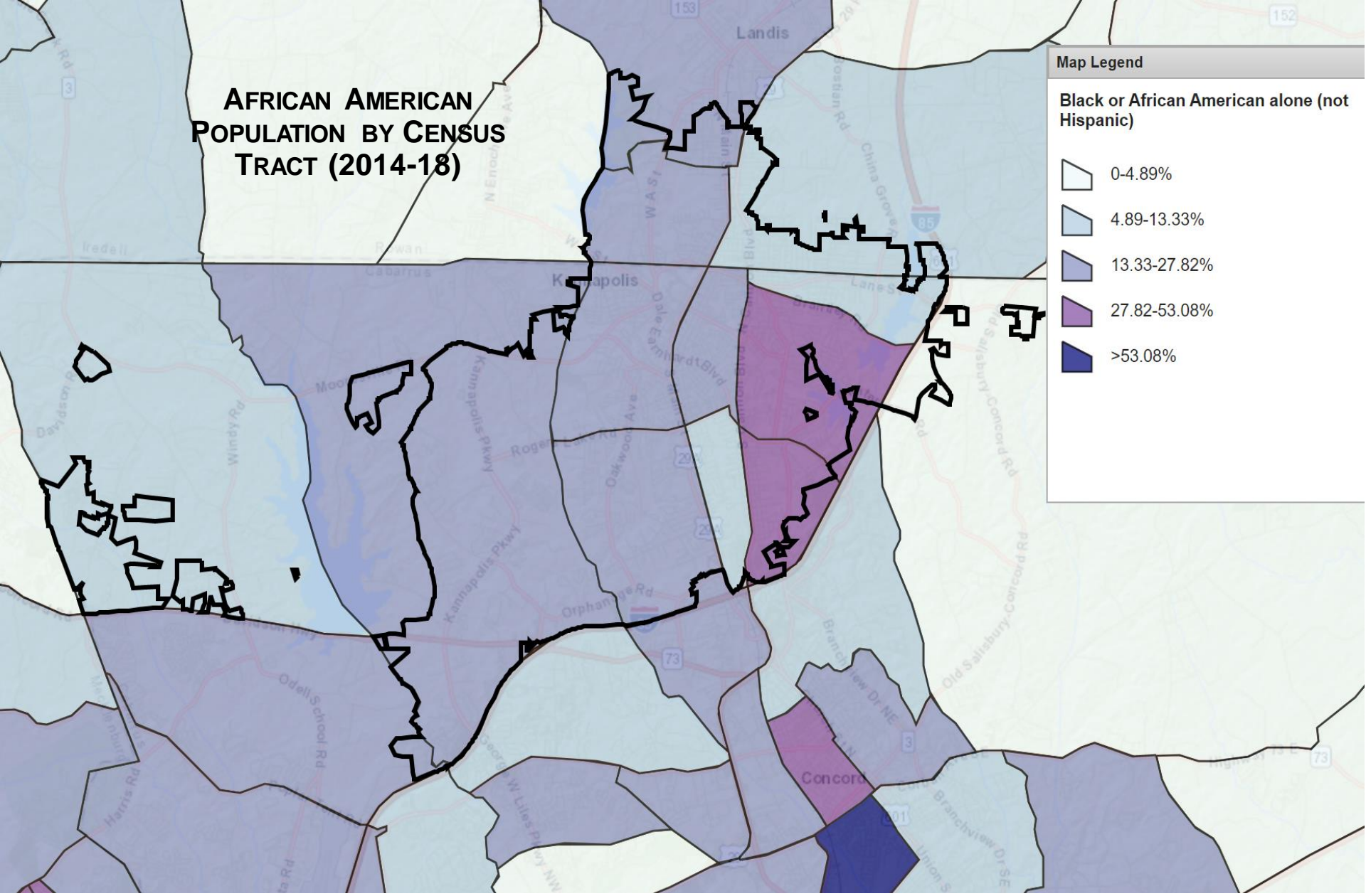
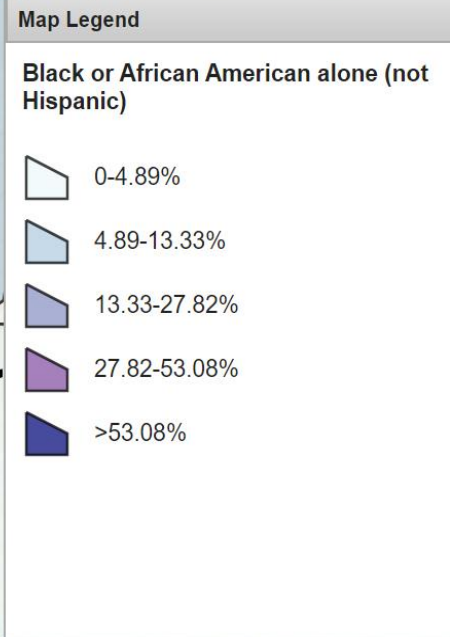
HISPANIC POPULATION BY CENSUS TRACT (2014-18)

Map Legend

Persons of Hispanic Origin



AFRICAN AMERICAN POPULATION BY CENSUS TRACT (2014-18)



HOUSEHOLDS

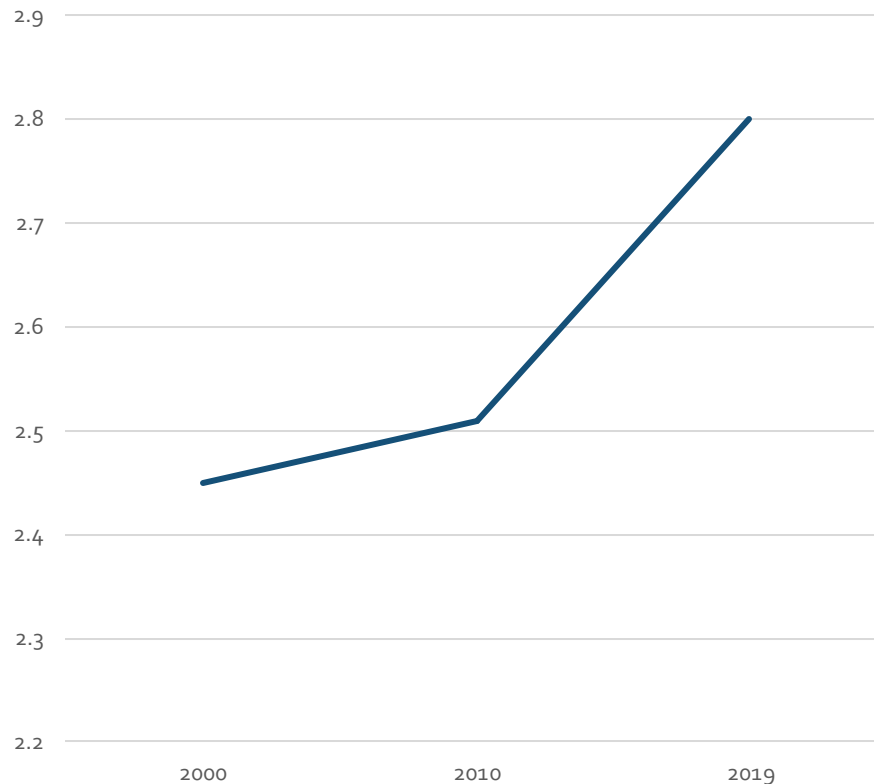
- There were 17,248 Kannapolis households in 2019.
- The City's average household size is now 2.8.
- Single parent families have grown to make up 32% of all households.
- 39% of households have someone under age 18.
- 33% of households have someone over 60 years old.
- 25% of households have someone living alone.
- 9% of households age 65 years & over living alone.

OBSERVATIONS:

- Household size has grown, and so have single parent households.
- Affordable childcare and before and after school childcare is perhaps a hidden challenge for the City. This can impact the available workforce.

This is especially important considering single parent families represent one-third of all households.

Average household size



AGE

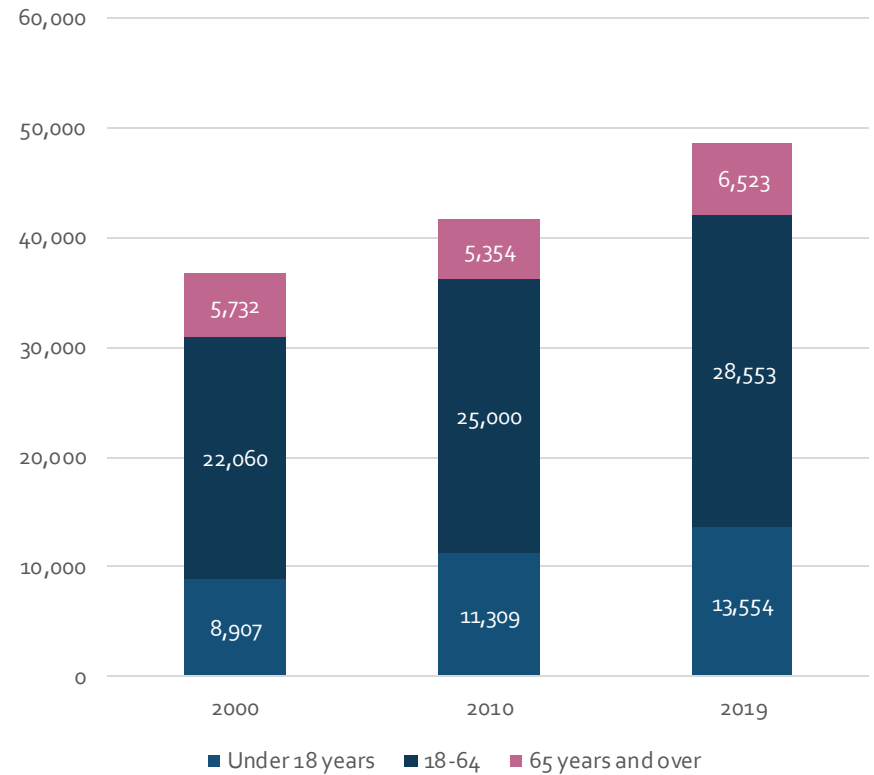
- Kannapolis residents are getting younger, and baby boomers are aging.
- Greatest increases in age 10-14 over 2000-2019 (+85.1%) and in 60-64 age group (+74.1%).
- Under age 18 has grown 52.2% from 2000-2019, much faster than other age groups.
- Minority groups are driving Kannapolis population growth, lowering the median age due to more kids under age 18, leading to increase in household size.

OBSERVATIONS:

- Kannapolis is significantly younger than both of its counties and State. This has an implication on issues like youth recreation programs, childcare and before/after school programming.
- The growth in baby boomer retirements points to opportunities for these individuals to volunteer and become more engaged in the community, but also to the need to adapt our infrastructure and programs for an aging population.

Median Age 2020	
Kannapolis	34.8
North Carolina	38.7
Cabarrus County	37.9
Rowan County	40.2

Kannapolis Population by Age



EDUCATIONAL ATTAINMENT

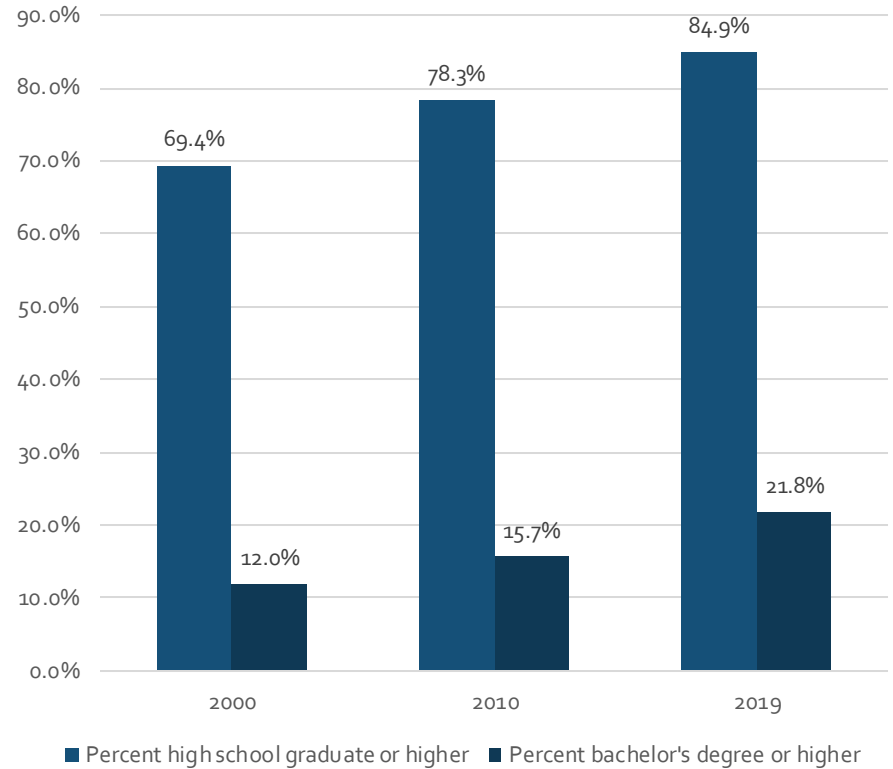
- 85% of adults aged 25 & over have at least a high school diploma.
- 22% have at least a bachelor's degree.
- Kannapolis trails behind Cabarrus County & North Carolina in both metrics.

OBSERVATIONS:

- Educational attainment is increasing as more people move to Kannapolis. This is good for the workforce.

	High School Diploma	Bachelor's Degree
Kannapolis	85%	22%
North Carolina	88%	31%
Cabarrus County	90%	32%
Rowan County	85%	14%

Kannapolis Educational Attainment, age 25 & over



INCOME

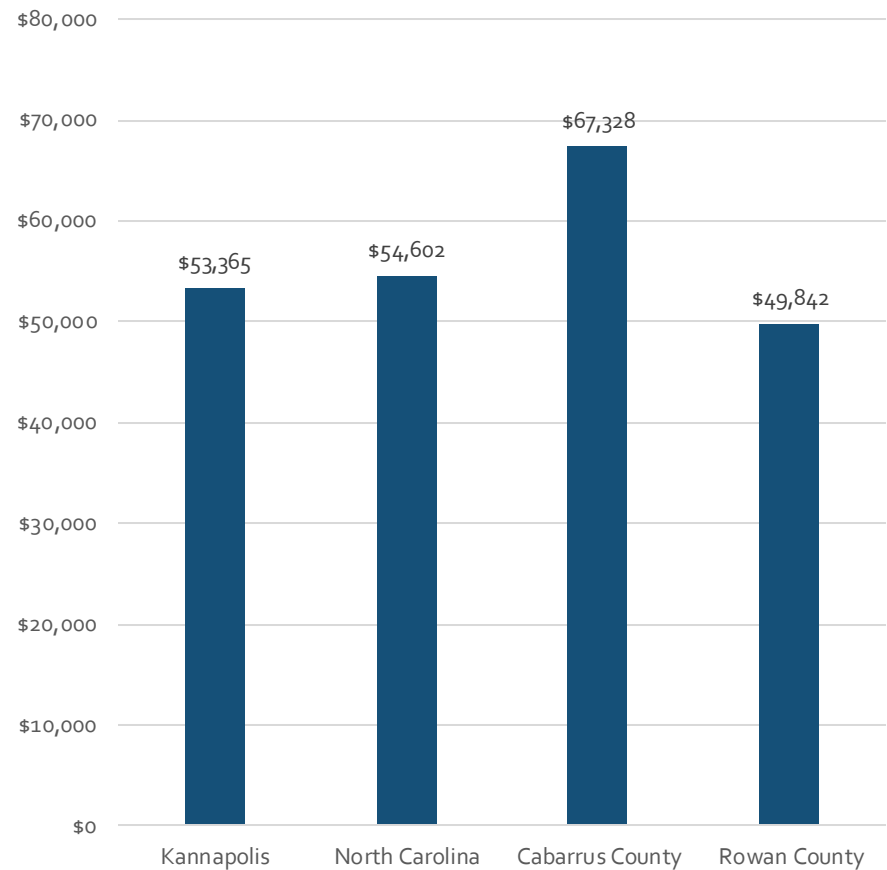
- Median income has grown 50% between 2000-2019
- Kannapolis' income is higher than Rowan's but lags behind Cabarrus and slightly behind the State average.
- Income and educational attainment levels are strongly linked.

OBSERVATIONS:

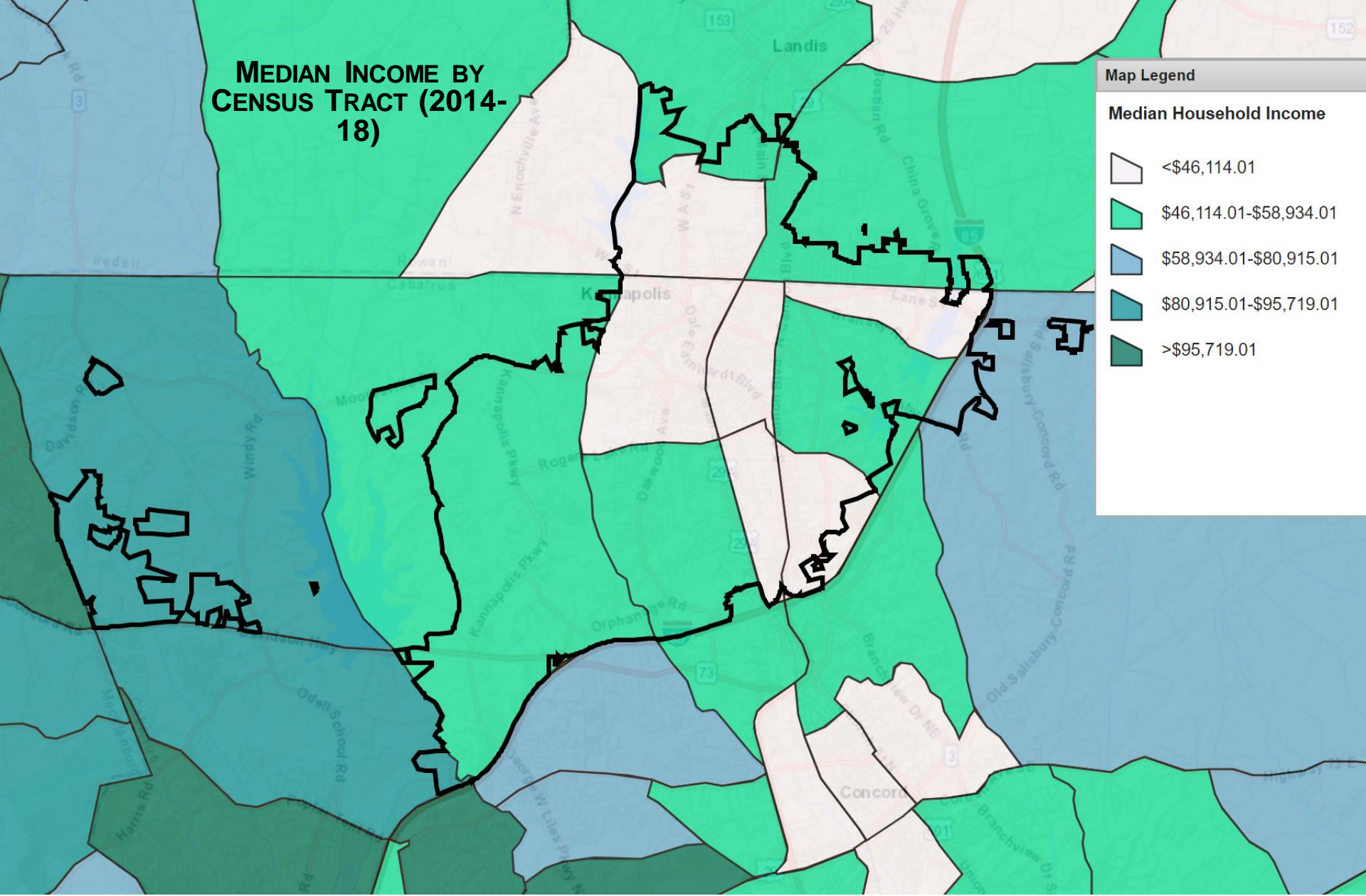
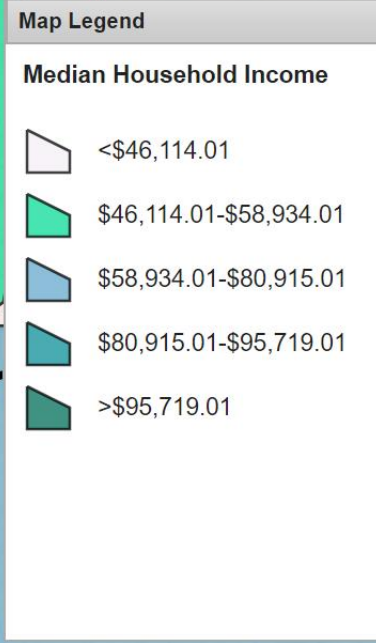
- The growth in incomes can, in part, be attributed to in-migration of new residents.
- The closure of Pillowtex and the dramatic employment shifts that occurred during the first decade after 2003 influenced this growth rate.



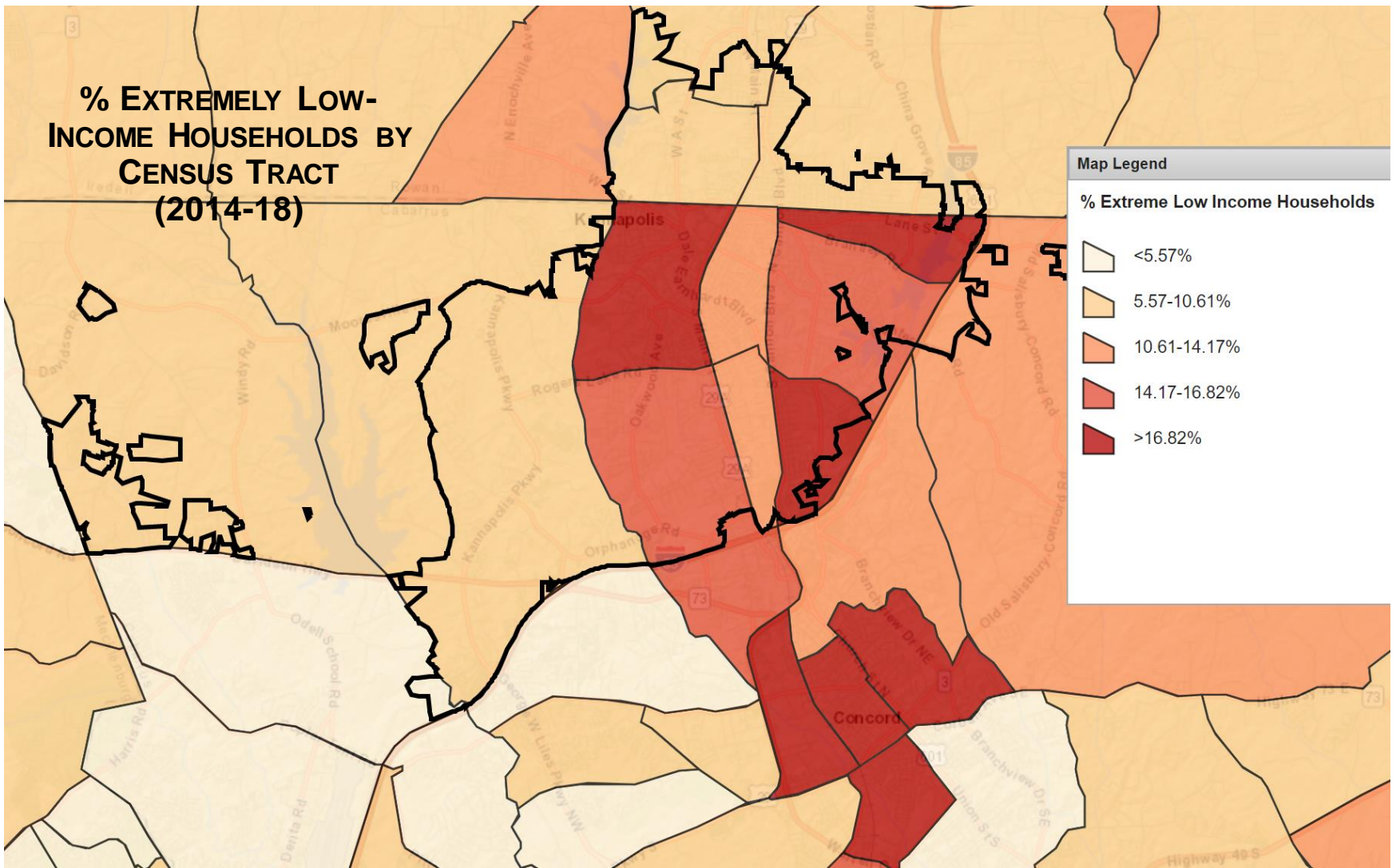
Median Household Income 2019



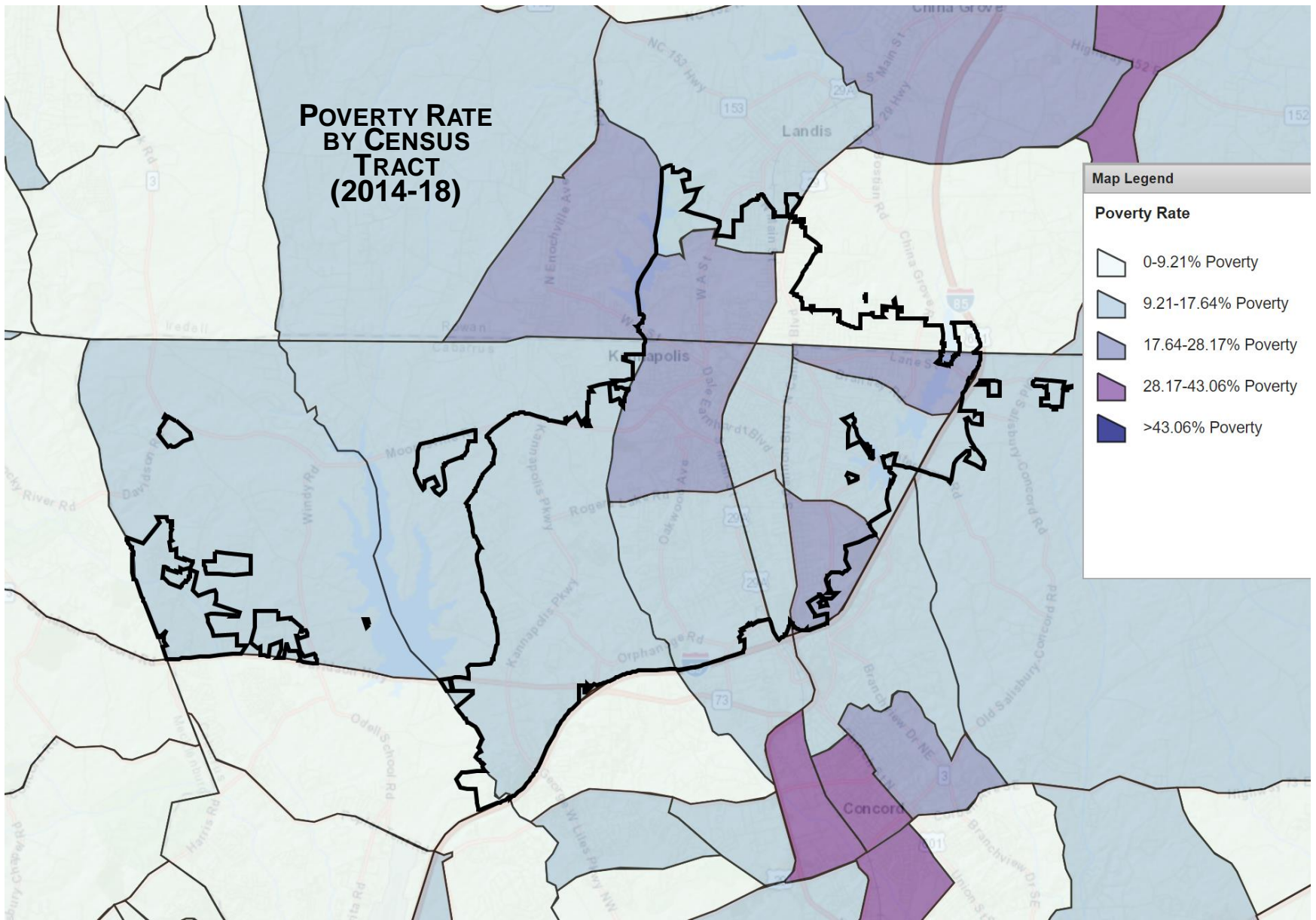
MEDIAN INCOME BY CENSUS TRACT (2014-18)



% EXTREMELY LOW- INCOME HOUSEHOLDS BY CENSUS TRACT (2014-18)



POVERTY RATE BY CENSUS TRACT (2014-18)



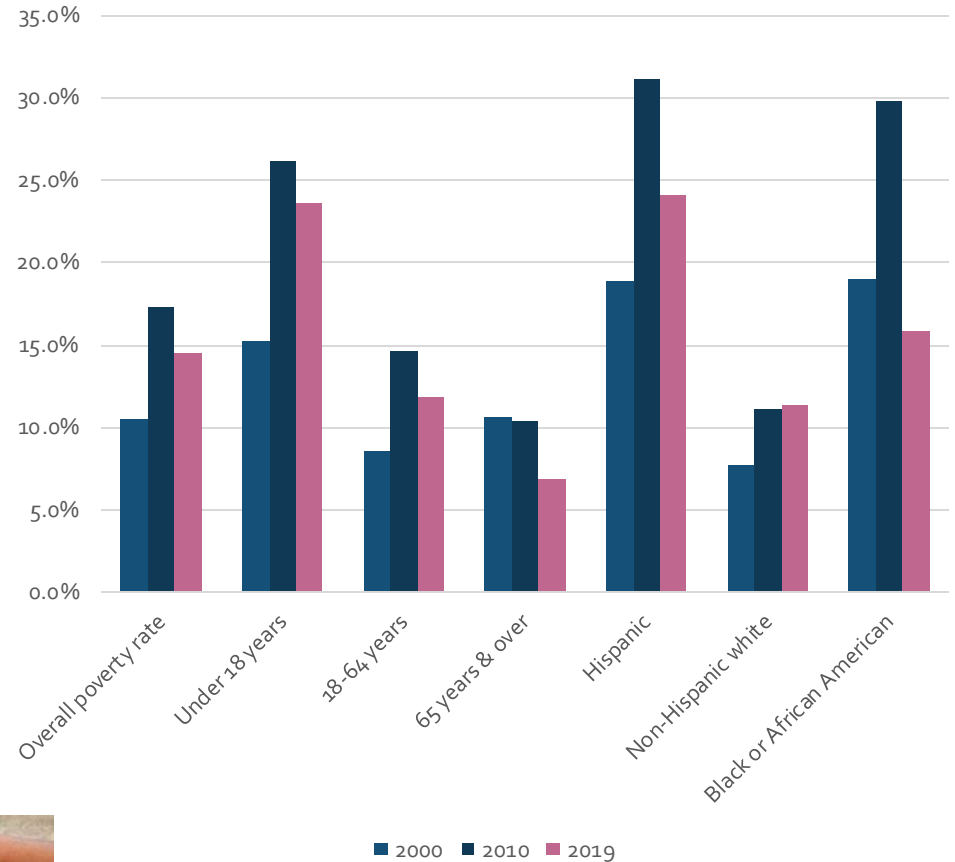
POVERTY

- The City's overall poverty rate was 14.5% in 2019.
- 23.6% for children under 18.
- 24.1% for Hispanic residents.
- 15.9% for Black or African American residents.
- 11.4% for White (non-Hispanic) residents.
- Poverty rates went up in 2010 (Great Recession), then back down in 2019.

OBSERVATIONS:

- Poverty rate is higher for children and minorities.
- Data is not available, but the poverty rates have likely increased due to the impacts of Covid. It is also likely that the increases have been more concentrated among African American and Hispanic residents than among White residents.

Kannapolis Poverty Rate



HOMEOWNERSHIP

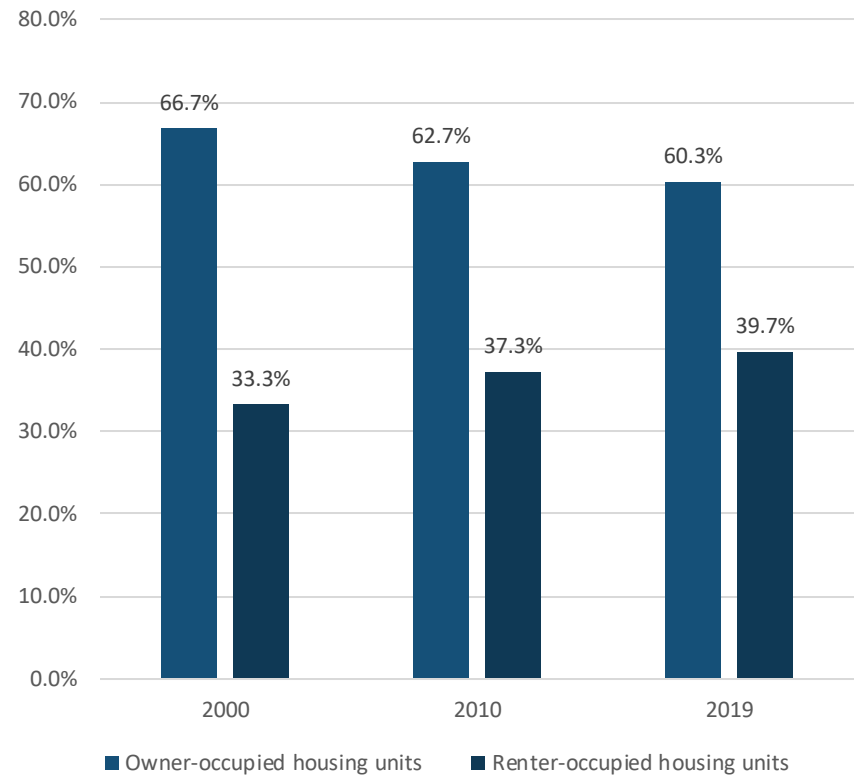
- 40% of Kannapolis' housing units were renter occupied in 2019 (up from 32% in 2000).
- Potential reasons: increasing housing costs, temporary transient status from in-migration, changes in attitudes about owning
- More residents are renting instead of owning homes by choice not necessity.
- Some communities are seeing rental subdivisions – entire community of single- family rentals.

OBSERVATIONS:

- It is too early to know for sure but the recent surge in home prices may have a more lasting impact on homeownership than at any point in the past several decades.
- One important consideration is to ensure the quality of rental only housing is maintained, as this will be a growing share of the living environments, for current and future residents.



Renter vs Owner Occupied Housing



POPULATION MIGRATION

Migration Patterns 2016-2019

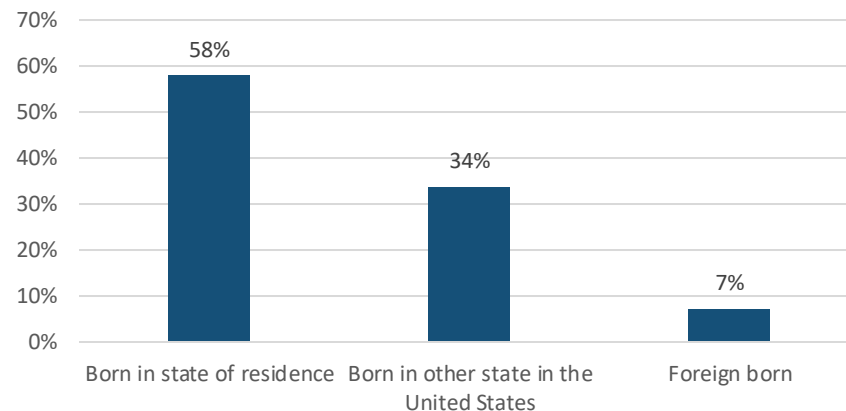
- Mecklenburg & Rowan counties are the most popular destinations for Cabarrus County residents to move to. Similarly, Mecklenburg & Cabarrus counties are most popular destinations for Rowan County residents to move to.
- Mecklenburg County is the largest source of Cabarrus County new residents. Cabarrus County is the largest source of Rowan County new residents.
- Outside of the state, Cabarrus is seeing the highest number of in-migrants from South Carolina, New York, and Florida; and to a lesser extent from California, Illinois, and Texas. Rowan County sees the most non-North Carolinian in-migrants from South Carolina.
- The inbound and outbound migration pattern for Kannapolis residents is primarily contained within North Carolina and South Carolina, with a strong focus along the I-85 corridor between Raleigh and Charlotte.
- 2020 estimates show that 58% of Kannapolis residents were born in North Carolina, down from 63% in 2010. And 34% were born in the U.S. outside of the state, with the greatest numbers coming from the Northeast and South.

OBSERVATIONS:

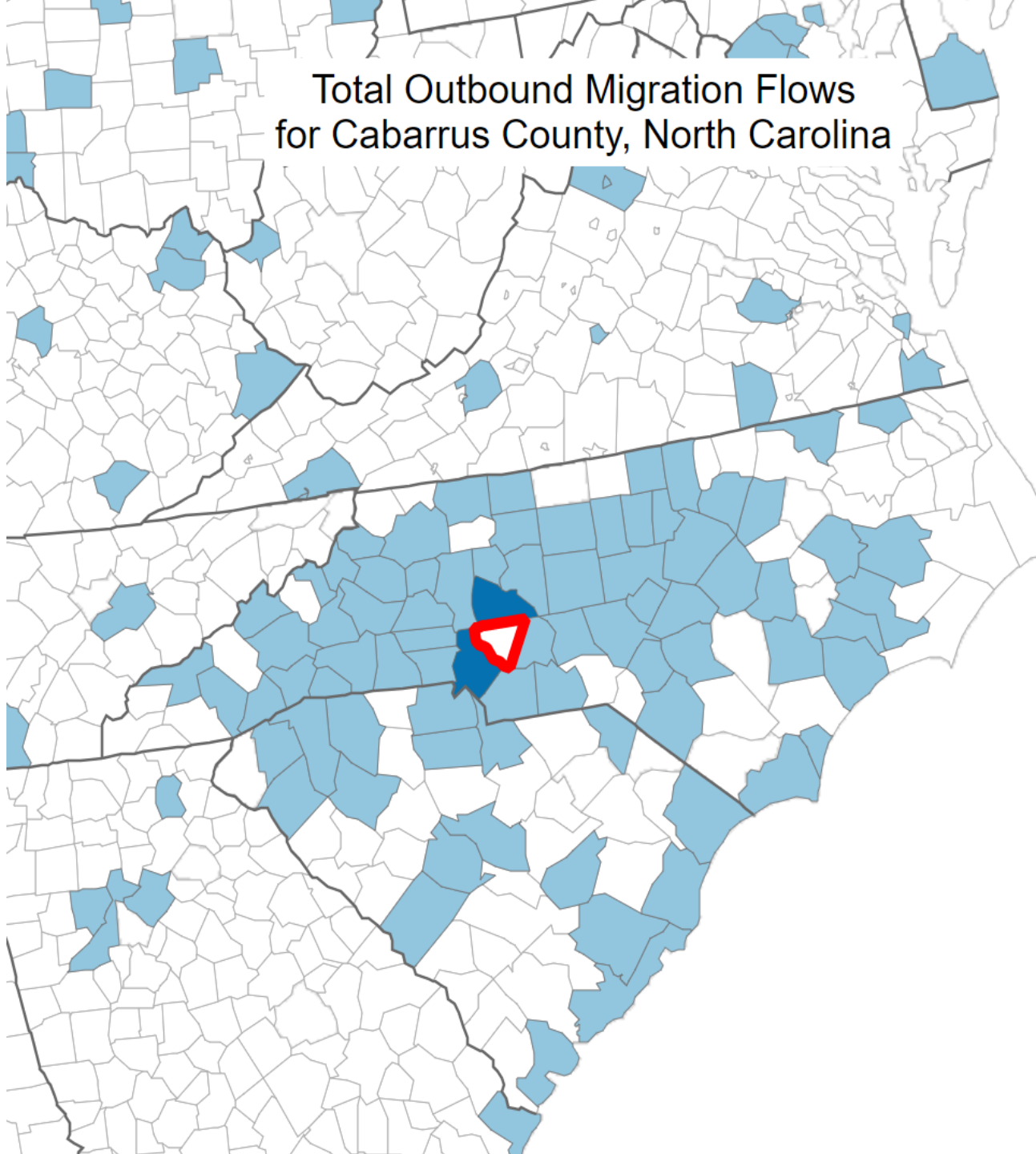
- While it is clear there is a growing population in Kannapolis and surrounding communities from other parts of the country, it appears most moved to the Carolinas then to Cabarrus and Rowan counties.
- This pattern is a key contributor to the City's robust population growth. North Carolina is a significant magnet for in migration due to a healthy economy, abundant jobs, good weather and first-class leisure opportunities. Maintaining Kannapolis as a secondary or tertiary migration destination North Carolina => Charlotte => Kannapolis) will require a plan focused on remaining an attractive option.



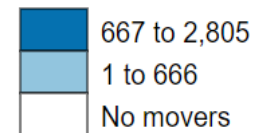
Kannapolis Residents' Place of Birth
(2020 Estimate, U.S. Census)



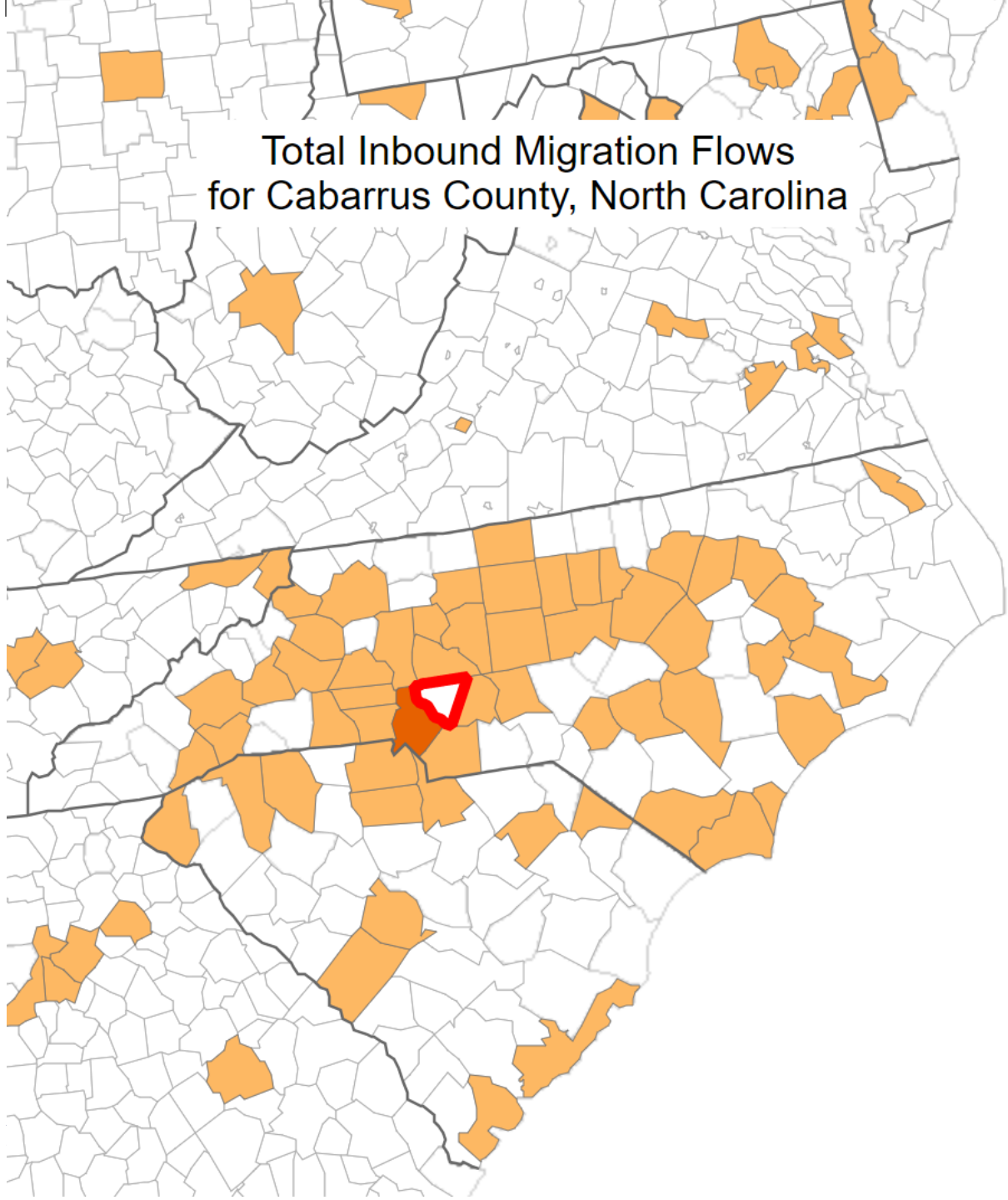
Total Outbound Migration Flows for Cabarrus County, North Carolina



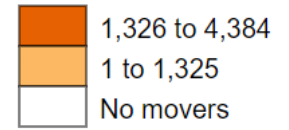
Migration by County



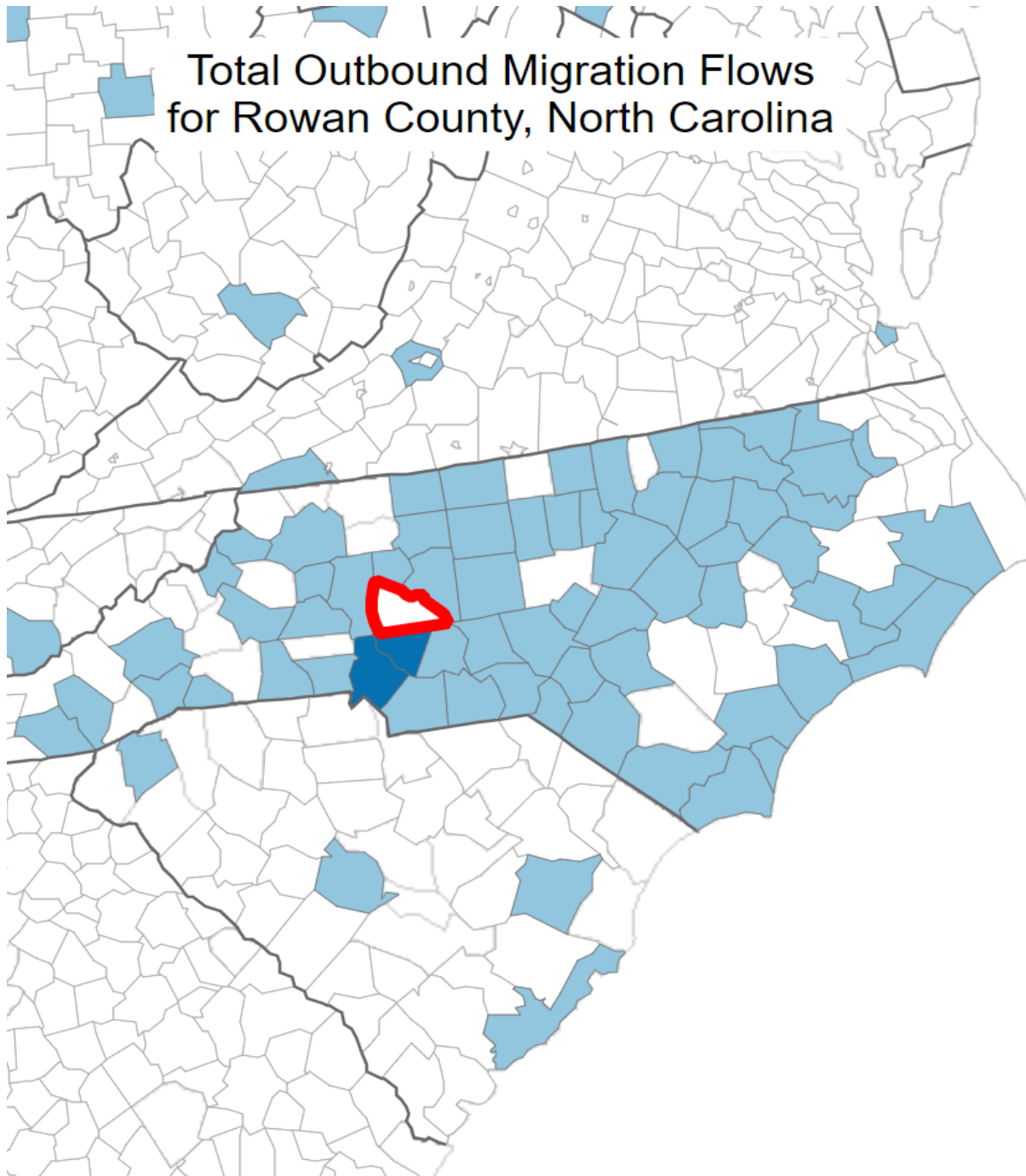
Total Inbound Migration Flows for Cabarrus County, North Carolina



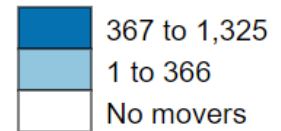
Migration by County



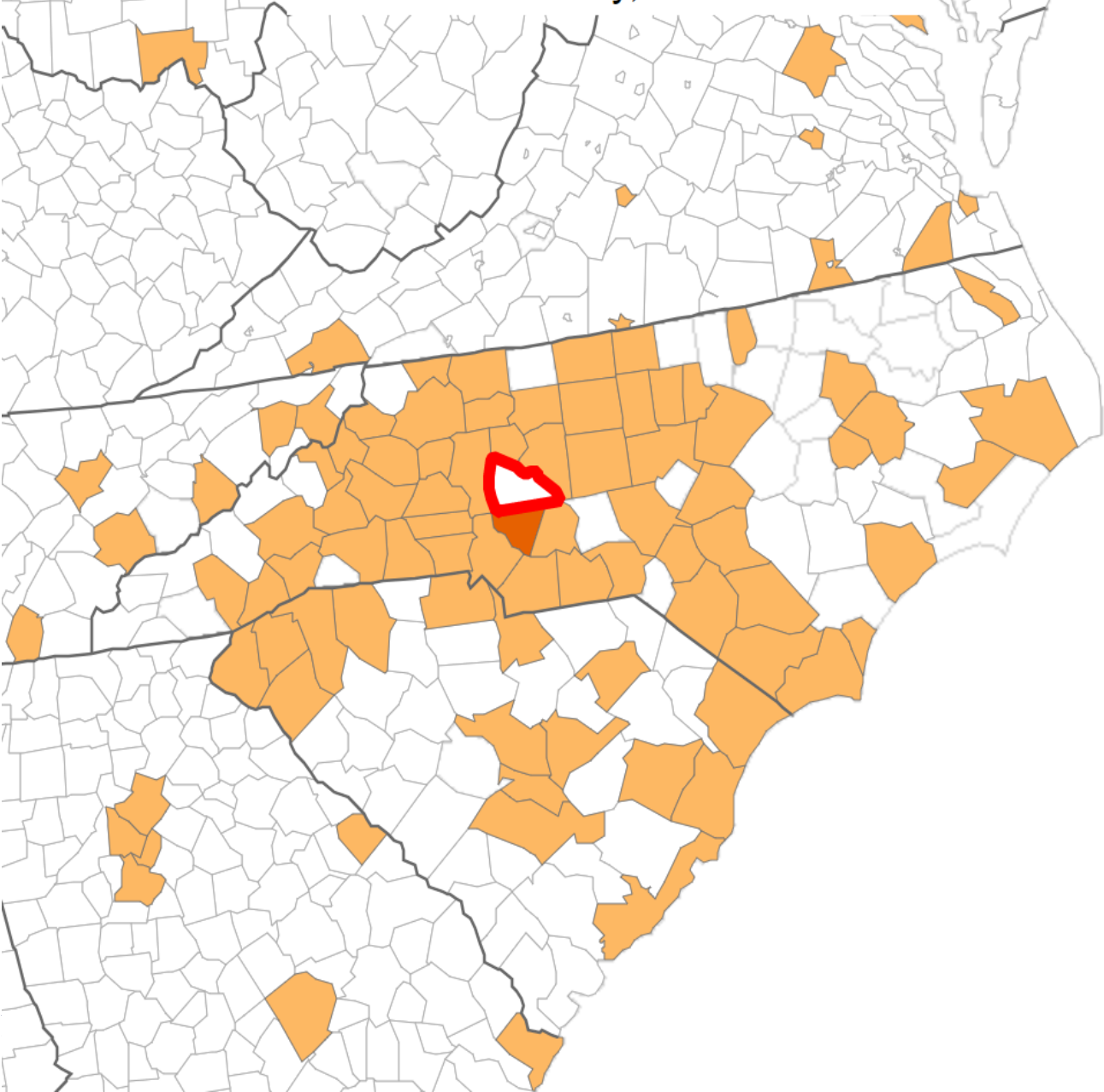
Total Outbound Migration Flows for Rowan County, North Carolina



Migration by County



Total Inbound Migration Flows for Rowan County, North Carolina



Migration by County

- 831 to 2,805
- 1 to 830
- No movers

COMMUTING

Commuting Patterns

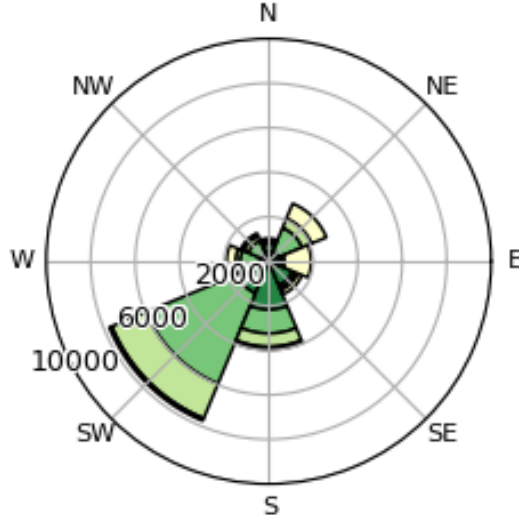
- Kannapolis has more residents (20,000) commuting out of the City for work than non-residents commuting in (11,000). About 2,000 residents live and work in Kannapolis.
- Most of the commuting distance is up to 24 miles, and in the southwest direction along the I-85 corridor into Concord and Charlotte.

OBSERVATIONS:

- Although there will be growth in industrial development in Kannapolis, the commuting patterns may not change significantly until the wages and skill requirements of those jobs match those for which our residents are commuting for.
- We may see an increase in commuting outflows with the announcements at Grounds at Concord and surrounding counties.



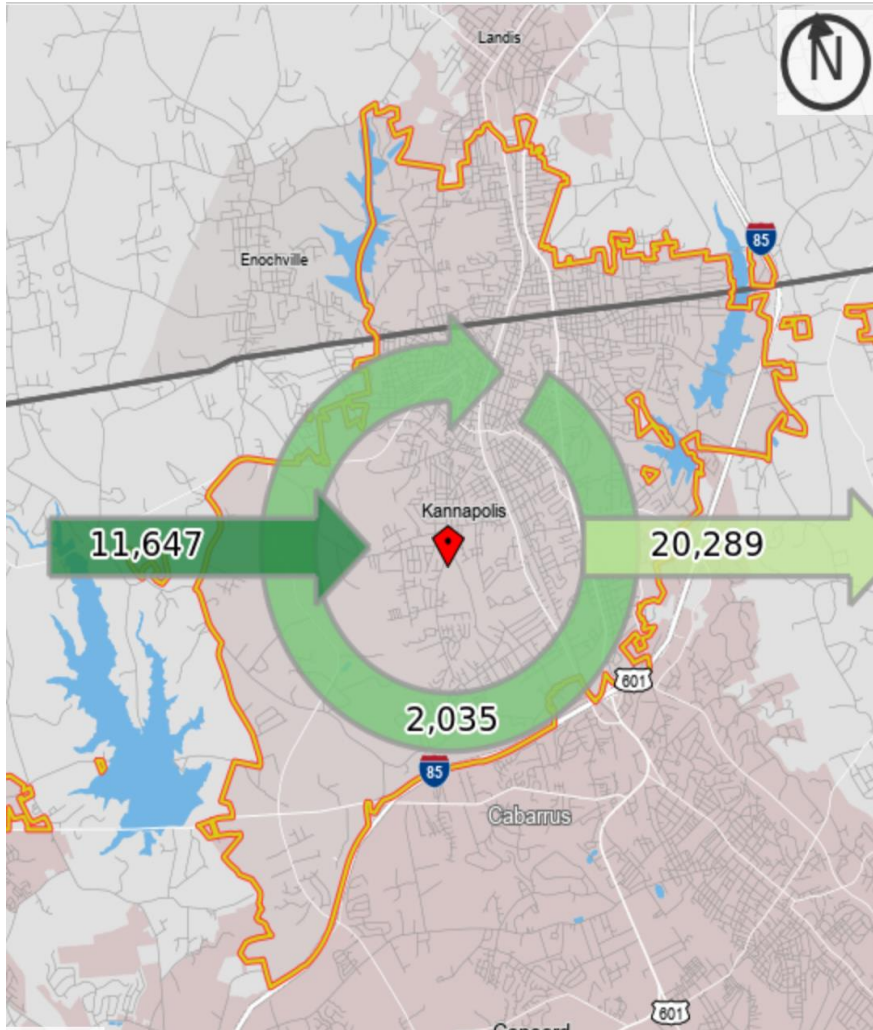
Job Counts by Distance/Direction in 2019
All Workers



Jobs by Distance - Home Census Block to Work Census Block

	2019	
	Count	Share
Total All Jobs	22,324	100.0%
Less than 10 miles	7,123	31.9%
10 to 24 miles	8,673	38.9%
25 to 50 miles	3,500	15.7%
Greater than 50 miles	3,028	13.6%

COMMUTING



- 11,647 - Employed in Selection Area, Live Outside
- 20,289 - Live in Selection Area, Employed Outside
- 2,035 - Employed and Live in Selection Area



Inflow/Outflow Job Counts (All Jobs)

	2019	
	Count	Share
Employed in the Selection Area	13,682	100.0%
Employed in the Selection Area but Living Outside	11,647	85.1%
Employed and Living in the Selection Area	2,035	14.9%
Living in the Selection Area	22,324	100.0%
Living in the Selection Area but Employed Outside	20,289	90.9%
Living and Employed in the Selection Area	2,035	9.1%

COMMUTING

Commuting Patterns: Changes since 2002

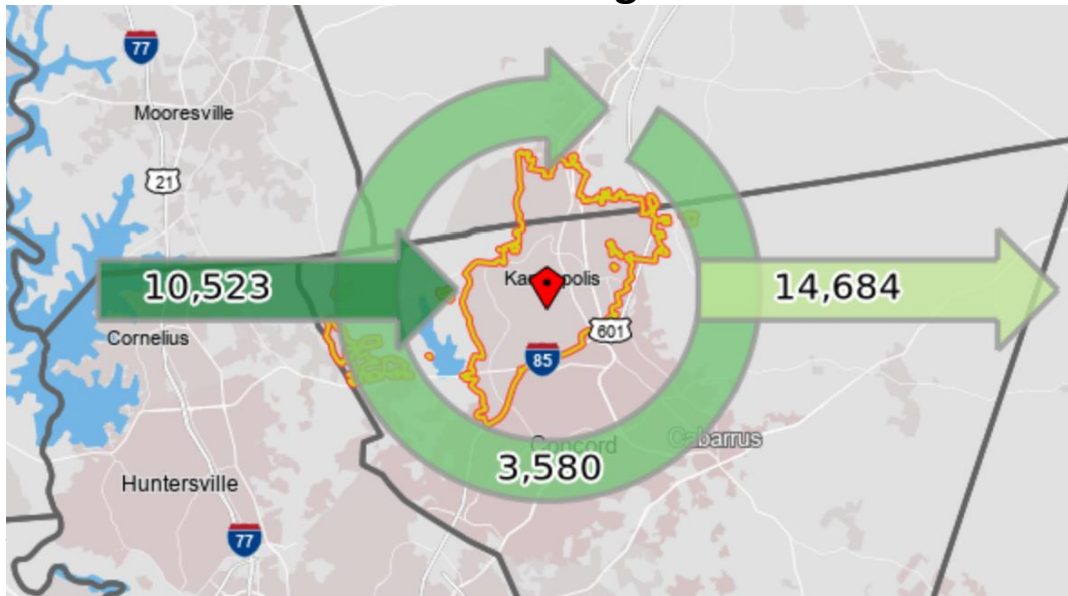
- Comparing 2002 and 2019 commuting patterns, more people are commuting into Kannapolis for work, fewer residents are staying in Kannapolis for work, and a LOT more residents (14,684 vs 20,289) are commuting OUT for work.
- Commuting distances have increased across the board from 2002 to 2019. In 2002; 49% of Kannapolis residents commuted less than 10 miles, in 2019 it dropped to 32%.

OBSERVATIONS:

- These patterns are reflective of the in-migration of residents from Mecklenburg County who may still work there.
- This may point to a need for a regional public transportation system.
- The Pillowtex closure is likely part of this change.
- It may represent a need to recruit higher skill, higher wage jobs to Kannapolis to reduce the mismatch between available jobs and residents' skills.
- Impacts to environment due to emissions is unknown.



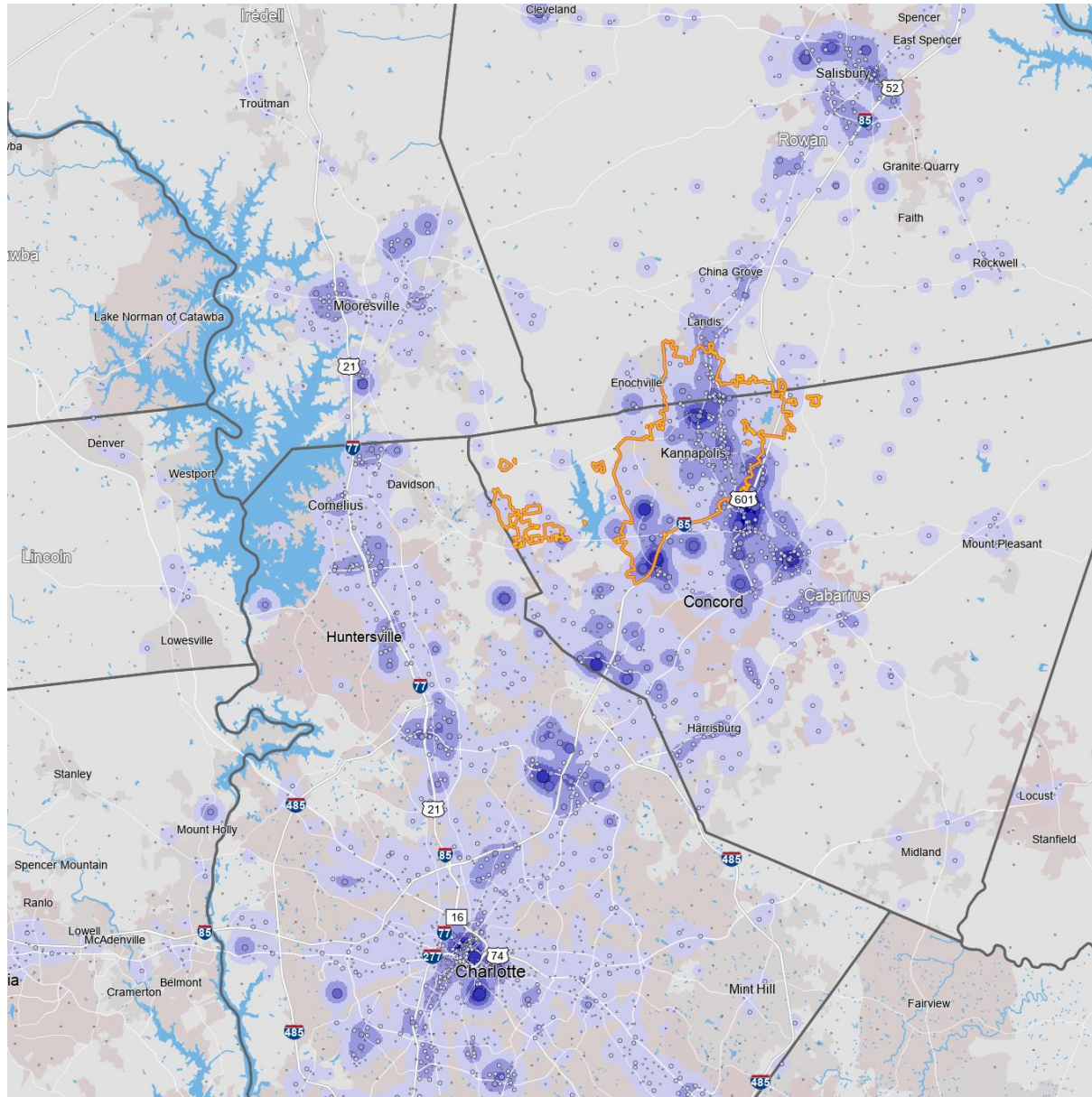
2002 Commuting Flows



Jobs by Distance - Home Census Block to Work Census Block

	2002	
	Count	Share
Total All Jobs	18,264	100.0%
■ <u>Less than 10 miles</u>	8,968	49.1%
■ <u>10 to 24 miles</u>	5,460	29.9%
■ <u>25 to 50 miles</u>	2,131	11.7%
■ <u>Greater than 50 miles</u>	1,705	9.3%

WHERE KANNAPOLIS RESIDENTS WORK (2019)



COMMUTING

Where Kannapolis Residents Work – Local Employment Centers (based on Census Commuting Patterns 2019)

Kannapolis

- City Hall/NCRC
- Amazon/Hwy 73 & Kannapolis Pkwy
- Afton Ridge/Glen Afton area

Concord

- Atrium Cabarrus, medical offices
- Downtown Concord (courthouse, county offices, etc.)
- International Business Park
- S&D Coffee
- Concord Mills

Charlotte

- UNC-Charlotte area
- Uptown
- Atrium Main & Novant Presbyterian Hospitals











Salisbury

- Food Lion HQ
- VA Hospital, Rowan Regional Medical Center
- Downtown Salisbury (courthouse, county offices, etc.)

Other

- Lowes HQ (Mooresville), Freightliner (Cleveland)

Jobs Counts by Places (Cities, CDPs, etc.) Where Workers are Employed - All Jobs

		2019	
		Count	Share
	All Places (Cities, CDPs, etc.)	22,324	100.0%
	Charlotte city, NC	5,954	26.7%
	Concord city, NC	4,035	18.1%
	Kannapolis city, NC	2,035	9.1%
	Salisbury city, NC	1,031	4.6%
	Mooresville town, NC	541	2.4%
	Huntersville town, NC	514	2.3%
	Winston-Salem city, NC	404	1.8%
	Raleigh city, NC	356	1.6%
	Greensboro city, NC	340	1.5%
	Cornelius town, NC	221	1.0%
	All Other Locations	6,893	30.9%

D. HOW ARE WE DOING?

Economics

The current and future economic prosperity of Kannapolis is tied to many external influences including the nation, state and regional economic growth. North Carolina and the Charlotte region consistently rank at the top of rapidly growing places with strong pro-business climates.

From a local perspective Cabarrus and Rowan counties are both in a strong position with recent major private investment announcements such as Eli Lilly, Red Bull and Macy's.

In addition to the regional impacts, Kannapolis' specific economic future will be tied to the next phases of the NCRC and Downtown, several major speculative industrial projects including Overlook 85, Metro63 and Lakeshore Corporate, as well as continued residential and commercial growth.

Challenges will include workforce skills and availability, lagging entrepreneurial development, and sewer treatment capacity.



TARGET INDUSTRIES

All of the city's five key economic development partners are in agreement that advanced manufacturing and life sciences/healthcare are both primary target industries. Logistics/Distribution is a target industry for all of the partners except the EDPNC. Other target industries have varying degrees of support amongst the partners.

OBSERVATIONS:

- How does Kannapolis fit in with these targets? Are there any that we really want or don't want?
- Wastewater treatment capacity limitations will eliminate almost all heavy water users in Cabarrus County which narrows the possible manufacturing industries.
- Future industrial sites will be numerous in Kannapolis in the coming years. A key decision will be to attempt to limit some of these spaces to manufacturing vs distribution centers.
- A strategy to leverage the NCRC and especially the Food Innovation Lab will be an important effort to embark upon.
- How will the remaining land at the NCRC develop? Should it be targeted as an employment center (e.g., Eli Lilly)?
- Do we have a shot at office (professional services) & technology activity? Can the NCRC be transformed into a research/educational/office complex?



	Region - Centralina COG	Region - Charlotte Alliance	State - EDPNC	County - Cabarrus EDC	County - Rowan EDC	Notes
Advanced Manufacturing	X	X	X	X	X	Incl. textiles, plastics & chemicals, furniture
Financial & Professional Services	X	X	X		X	Back office operations, banking & insurance, Fintech
Life Sciences & Healthcare	X	X	X	X	X	Biomedical research, healthcare services, health IT, pharmaceutical & medical device manufacturing
Information Technology	X	X	X			Big data/AI/analytics, cybersecurity, data centers, software
Logistics & Distribution	X	X		X	X	Fulfillment centers, supply chain management & consulting, third-party logistics, warehousing
International Business		X				
Corporate Headquarters		X	X			
Aviation/Aerospace	X		X	X		
Automotive/Motorsports	X		X	X		
Food & Beverage	X		X	X	X	

EMPLOYMENT & UNEMPLOYMENT

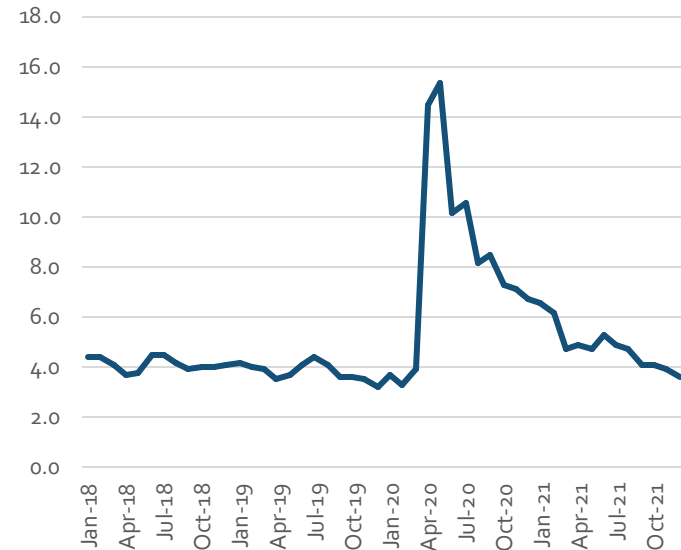
- Mirroring national trends, the labor force has nearly rebounded post pandemic.
- Unemployment rates are low, but the labor force participation rate hasn't yet returned.
- 4% unemployment rate is considered "full employment" by economists – i.e., hard to get much lower than that.

OBSERVATIONS:

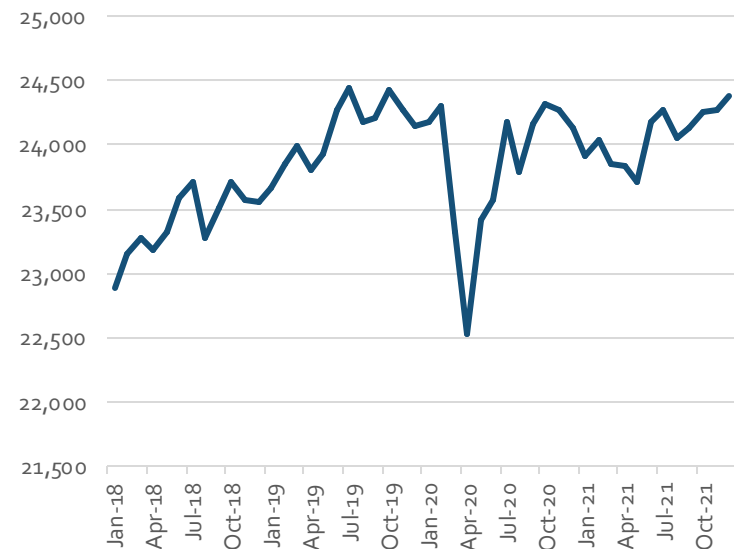
- Based on demographic trends, our workforce will grow if we can maintain strong in-migration.
- Our workforce will be increasingly diverse.
- Childcare solutions and flexible schedules are a necessity in order to allow single parents (32% of Kannapolis households) to work.
- Unless we increase affordable housing stock, workers will have to commute in from lower cost communities for many of the warehousing/logistics jobs that are coming to the new industrial developments.



Kannapolis Unemployment Rate



Kannapolis Labor Force



MAJOR RECENT ANNOUNCEMENTS

Cabarrus and Rowan

- Eli Lilly – pharma manufacturing, \$1 billion investment, 600 jobs, \$70,000 avg wage – Grounds at Concord.
- Kroger/Ocado – automated distribution center, \$139 million investment, 700 jobs, \$40,000 avg wage – Hwy 49, Concord.
- Red Bull/Rauch/Ball – beverage manufacturing, \$1 billion investment, 600 jobs, \$57,000 avg wage – Grounds at Concord.
- Macy's – automated distribution center, \$584 million investment, 2,800 jobs, \$37,500 avg wage - I-85/Hwy 152, China Grove.
- Total: 4,700 jobs.

Statewide

- VinFast – electric vehicles in Chatham County (outside Raleigh), 7,500 jobs, \$51,000 avg wage, \$2 billion initial investment, up to \$4 billion planned
- Toyota – electric vehicle battery plant in Greensboro/Randolph County area, 1,750 jobs, \$62k avg wage, \$1.29 billion investment
- Boom Supersonic – aircraft manufacturing & assembly plant in Greensboro, 1,750 jobs, \$69,000 avg wage, \$500 million investment
- Creates huge demand for production workers.

OBSERVATIONS:

- Where will these workers come from? Where will they live? Do we want them to move to Kannapolis?
- Manufacturing jobs (i.e., Eli Lilly, Red Bull) have higher average wages than distribution and warehousing jobs (i.e., Macy's, Kroger). Do we want to be more selective in how we use our limited sewer capacity to attract jobs?
- Most recent activity has been outside of Kannapolis but that is likely going to change in the next five years with the completion of Overlook 85, Metro 63, Lakeshore Corporate Park, Conrescere Business Park and other sites.



EMPLOYMENT & UNEMPLOYMENT

CABARRUS COUNTY LARGEST EMPLOYERS (KANNAPOLIS IN RED) 3Q 2021

Company Name	Industry	Employment Range
Cabarrus County Schools	Educational Services	1000+
Atrium Health	Health Care and Social Assistance	1000+
Amazon Fulfillment Services Inc	Transportation and Warehousing	1000+
Wal-Mart Associates Inc.	Retail Trade	1000+
Cabarrus County	Public Administration	1000+
Fedex Ground Package System Inc	Transportation and Warehousing	1000+
City Of Concord	Public Administration	1000+
Corning Incorporated	Manufacturing	500-999
Food Lion	Retail Trade	500-999
Teletch Healthcare Solutions Inc	Administrative and Support and Waste Managemen	500-999
Shoe Show Inc	Management of Companies and Enterprises	500-999
Kannapolis City Schools	Educational Services	500-999
Piedmont Area Mental Health	Health Care and Social Assistance	500-999
Harris Teeter	Retail Trade	500-999
Hms Holdings Limited Partnership	Arts, Entertainment, and Recreation	500-999
Lowes Home Centers Inc	Retail Trade	500-999
Smi Systems Llc	Arts, Entertainment, and Recreation	500-999
S & D Coffee Inc	Manufacturing	250-499
City Of Kannapolis	Public Administration	250-499
Concord Automotive Company	Retail Trade	250-499
Stanley Black & Decker	Wholesale Trade	250-499
Great Wolf Lodge Of The Carolinas	Accommodation and Food Services	250-499
Cardinal Logistics Management Corpo	Transportation and Warehousing	250-499
Sysco Charlotte	Wholesale Trade	250-499
Pass And Seymour Inc	Manufacturing	250-499

EMPLOYMENT & UNEMPLOYMENT

ROWAN COUNTY LARGEST EMPLOYERS (KANNAPOLIS IN RED) 3Q 2021

Company Name	Industry	Employment Range
Food Lion	Retail Trade	1000+
Rowan-Salisbury School Systems	Educational Services	1000+
Veterans Administration Va Ro318	Health Care and Social Assistance	1000+
Freightliner Corp	Manufacturing	1000+
Chewy Com	Retail Trade	1000+
Rowan County	Public Administration	1000+
Rowan Regional Medical Center	Health Care and Social Assistance	1000+
Rowan Cabarrus Comm College	Educational Services	500-999
R & L Carriers Shared Services Llc	Transportation and Warehousing	500-999
Dept Of Public Safety	Public Administration	250-499
City Of Salisbury	Public Administration	250-499
Mckenzie Taxidermy Supply	Wholesale Trade	250-499
Aldi	Transportation and Warehousing	250-499
Continental Structural Plastics Of	Manufacturing	250-499
Trinity Team Services	Health Care and Social Assistance	250-499
Wal-Mart Associates Inc.	Retail Trade	250-499
Wayne Brothers Inc	Construction	250-499
Catawba College	Educational Services	250-499
Gamewell Mechanical	Construction	250-499
Clayton Mobile Homes	Manufacturing	250-499
Lyons Hr	Manufacturing	100-249
Universal Forest Products Eastern C	Wholesale Trade	100-249
United Parcel Service Inc	Transportation and Warehousing	100-249
Hire Dynamics Llc	Administrative and Support and Waste Manageme	100-249
Andrew & Sons Llc	Transportation and Warehousing	100-249



***Wayne Brothers' current location is in Cabarrus County, not Rowan**

EMPLOYMENT & UNEMPLOYMENT

CABARRUS COUNTY INDUSTRY & JOBS (LARGEST IN RED)

NAICS Code	Industry	Establishments	Average Employment	Average Weekly Wage
11	Agriculture, Forestry, Fishing and Hunting	19	102	\$705.00
21	Mining	5	74	\$1,225.00
22	Utilities	11	134	\$1,597.00
23	Construction	695	4,700	\$1,088.00
31	Manufacturing	183	5,223	\$1,081.00
42	Wholesale Trade	311	5,130	\$1,290.00
44	Retail Trade	728	11,949	\$631.00
48	Transportation and Warehousing	208	6,656	\$691.00
51	Information	78	661	\$1,472.00
52	Finance and Insurance	266	1,008	\$1,371.00
53	Real Estate and Rental and Leasing	278	1,046	\$895.00
54	Professional, Scientific, and Technical Services	704	2,586	\$1,215.00
55	Management of Companies and Enterprises	25	1,055	\$1,459.00
56	Administrative and Support and Waste Management and Remediation Services	377	4,286	\$775.00
61	Educational Services	132	5,130	\$862.00
62	Health Care and Social Assistance	456	10,182	\$1,222.00
71	Arts, Entertainment, and Recreation	118	2,822	\$1,296.00
72	Accommodation and Food Services	453	9,802	\$398.00
81	Other Services (except Public Administration)	493	2,173	\$745.00
92	Public Administration	23	3,672	\$985.00

EMPLOYMENT & UNEMPLOYMENT

ROWAN COUNTY INDUSTRY & JOBS (LARGEST IN RED)

NAICS Code	Industry	Establishments	Average Employment	Average Weekly Wage
11	Agriculture, Forestry, Fishing and Hunting	21	268	\$680.00
21	Mining	8	191	\$1,111.00
22	Utilities	7	128	\$1,879.00
23	Construction	357	3,225	\$1,128.00
31	Manufacturing	170	6,690	\$1,076.00
42	Wholesale Trade	161	2,347	\$1,056.00
44	Retail Trade	410	6,837	\$720.00
48	Transportation and Warehousing	142	4,034	\$1,100.00
51	Information	15	106	\$887.00
52	Finance and Insurance	137	497	\$1,185.00
53	Real Estate and Rental and Leasing	106	238	\$942.00
54	Professional, Scientific, and Technical Services	231	1,053	\$1,310.00
55	Management of Companies and Enterprises	17	1,082	\$1,528.00
56	Administrative and Support and Waste Management and Remediation Services	202	2,669	\$739.00
61	Educational Services	69	3,346	\$916.00
62	Health Care and Social Assistance	289	7,443	\$1,115.00
71	Arts, Entertainment, and Recreation	55	790	\$385.00
72	Accommodation and Food Services	235	3,919	\$383.00
81	Other Services (except Public Administration)	293	955	\$699.00
92	Public Administration	34	2,669	\$973.00

ENTREPRENEURSHIP AND INNOVATION

Cabarrus Center for Innovation & Entrepreneurship

- Meant to be hub for entrepreneurship – includes coworking & meeting space, educational & networking events, mentorship program, small grant opportunities, and other resources for entrepreneurs
- High growth entrepreneurial activity is still concentrated in Charlotte, and smaller than other metro areas.

OBSERVATIONS:

- How to increase Kannapolis presence & awareness? 1) Kannapolis-based speakers and mentors, 2) host events in Kannapolis, 3) get Kannapolis businesses to participate in programs & events
- Expand capacity of Cabarrus Center to service minority owned businesses?

North Carolina Food Innovation Lab (NCFIL)

Provides product development technical expertise and facilities for plant-based food companies – via fee for service contracts

- Companies are from all over, including outside of NC
- Staff capacity is limiting expansion of services

OBSERVATIONS:

- How to increase NCFIL staff and client presence in Kannapolis? Ex: workshops, programs, incubator/start-up space

Charlotte Alliance – Innovation Focus

- CRBA is shifting focus from traditional recruitment to be more of a consultancy for local communities to build their economic assets
- Positioning the Charlotte region for future technological & innovation-based economy

OBSERVATIONS:

- How does Kannapolis fit into the regional picture and use the CRBA resources?
- Do our vision and key assets align with this direction?



CHARLOTTE
REGIONAL BUSINESS
ALLIANCE



ENTREPRENEURSHIP AND INNOVATION

Cabarrus Chamber Small Business and Entrepreneurship Action Plan

In 2012, the Cabarrus Regional Chamber commissioned the development of an action plan related to growing and supporting small business and entrepreneurship in the County. This plan was an update to, and an enhancement of, the Small Business and Entrepreneurial Development Action Plan developed in 2007 in response to the announcement of the NCRC. The six areas of focus in the Plan include:

- Assistance: providing targeted assistance and services to entrepreneurs and small businesses.
- Awareness: informing entrepreneurs about available services and providing referrals.
- Capital Formation: facilitating access to capital.
- Networking and Business Development: strengthening networks and business relationships.
- Youth: building a pipeline of inquisitive, entrepreneurial, and innovative talent.
- Culture: fostering an environment that values entrepreneurship.

OBSERVATIONS:

- While this action plan is a decade old, many of the areas of focus are still relevant and deserve a second look. There has been some progress but there are many suggested action steps that never materialized in the community. The Cabarrus Center is looking at ways to expand upon.



WORKFORCE

RCCC Advanced Technology Center

- RCCC partnered with Okuma & RJC to host one- to two-week training programs for their client employees. Projection for 2022 is ~6,500 hotel room night demand.
- Spearheaded NC Manufacturing Institute, which trains and pays program participants, who were then hired by local manufacturers.

OBSERVATIONS:

- There may be opportunities for additional corporate training partnerships.
- It may be that the programs like NC Manufacturing Institute should be expanded locally.

Rowan EDC Talent Attraction Campaign

- Marketing campaign is underway to bring young professionals and other workers into Rowan County.

OBSERVATIONS:

- How does the City leverage the campaign and get new people to both *live* and *work* in Kannapolis?

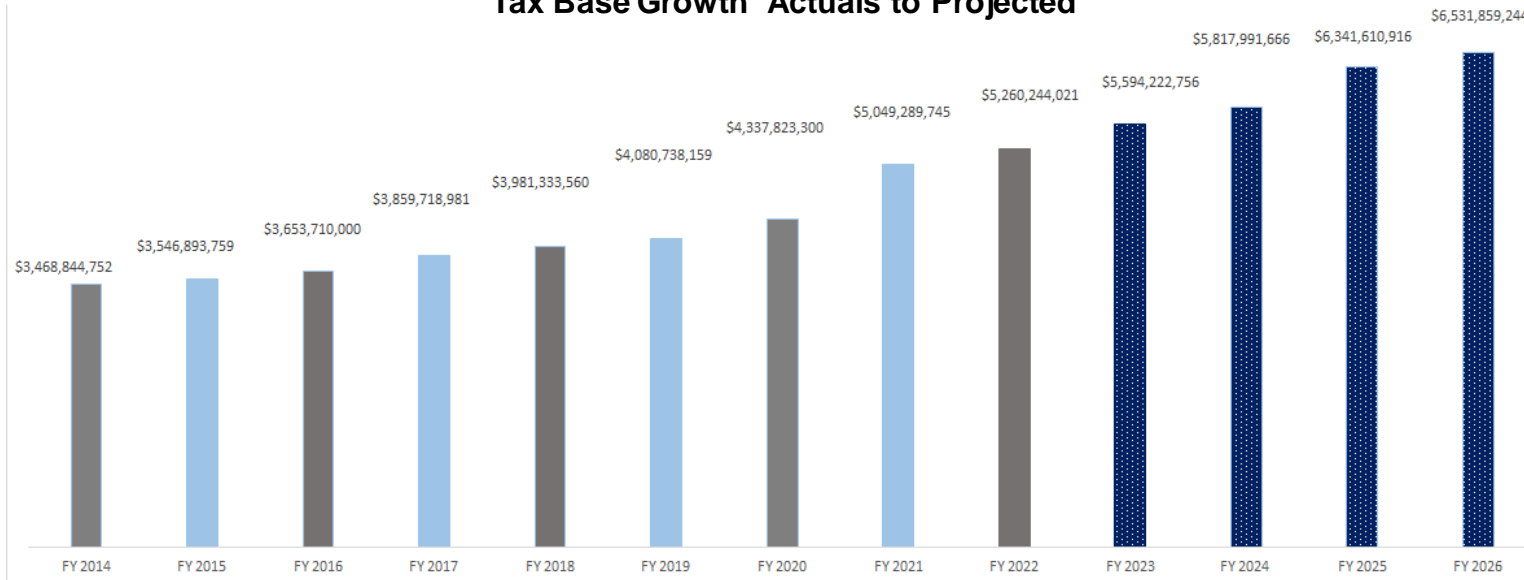


TAX BASE GROWTH & CHANGE

- The City's tax base has increased on average by 5.16% annually from FY 14 to FY 23.
- The City's tax base is expected to nearly double from FY 14 to FY 26.
- New investment in the City makes up a portion of these increases.
- Property revaluations in both Cabarrus and Rowan counties account for the remainder of the increases.
- The last revaluation in Cabarrus County resulted in a 14% increase in the City's tax base.
- The next revaluation for Rowan County is in FY 24 and Cabarrus in additional growth in revaluation for Rowan and six percent for Cabarrus.



Tax Base Growth Actuals to Projected



Note: Solid columns show actuals and patterned columns show projected

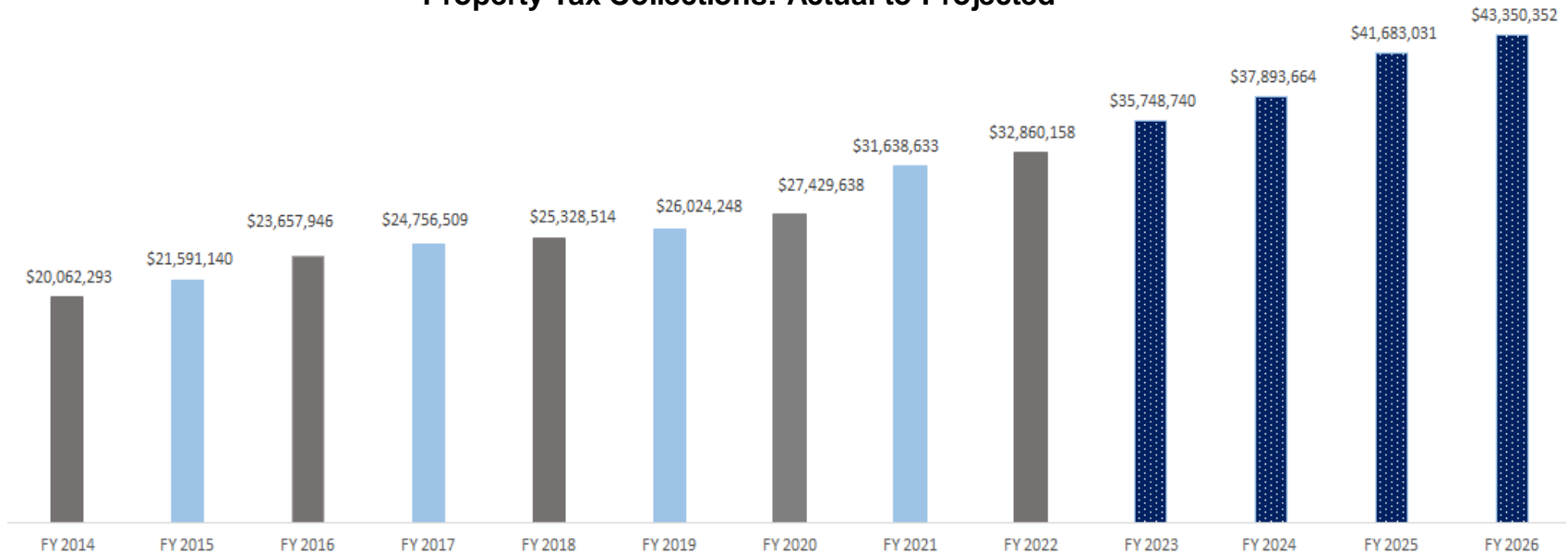


TAX BASE GROWTH & CHANGE

- The City's property tax collections have increased by an average of 6.6% from FY 14 to FY 23.
- The City's collections have more than doubled from FY 14 to projected in FY 26.
- The City's collection rate ranges from 97% - 98%.
- As a point of reference, the projected \$10.5 million increase in property tax revenue over the next four years translates to about \$100 million in borrowing capacity.
- These projections assume no local or national impacts to the economy such as a recession.



Property Tax Collections: Actual to Projected



Note: Solid columns show actuals and patterned columns show projected

ECONOMIC DEVELOPMENT: NORTH CAROLINA RESEARCH CAMPUS

The North Carolina Research Campus (NCRC) is a 140-acre research center and scientific community that collaboratively works to empower human health through nutrition and clinical research. It was the brainchild of California businessman David Murdock and several state leaders. It was born in the aftermath of the collapse of Pillowtex and was intended to serve as a model for how large-scale public-private partnerships can transform a community and a State.

Seven state universities, Duke University, the David H. Murdock Research Institute (DHMRI), companies and entrepreneurs focus research and development on safer, more nutritious crops, healthier foods, precision nutrition, and clinical research. The Rowan-Cabarrus Community College's location on the NCRC consists of two buildings that function as a hands-on, realistic training environment for the College's health, science, and advanced technology programs.

To date more than \$1 billion has been invested in the campus including more than a decade of state operating support, federal/foundation research funding and the initial construction by David Murdock being the largest drivers.

The university-based research is thriving with continued state support and not inconsequential federal and extramural funding. The Food Innovation Lab constructed a few years ago by Castle and Cooke and the State of North Carolina is a potential game changer for the Campus. The DHMRI is struggling to stay afloat financially and its future contributions to the Campus remain a question.

Castle and Cooke has decided to sell all of its campus assets (buildings and land) – and all assets in North Carolina. A buyer has been identified and a letter of intent has been executed. The target is to have a purchase agreement executed in April 2022 with closing targeted for late summer. The buyer appears to be supportive of establishing a renewed vision for the NCRC.



OBSERVATIONS:

- State leases for UNC-CH and NCSU buildings end in 2027 after which the State will own the buildings. City will lose property tax revenues, but NCRC Bonds will also be paid off in the same year.
- As Wake Forest and Atrium join forces and establish the Pearl Innovation district in Uptown Charlotte, can the NCRC become a geographic mid-point location for innovation and healthcare activity between Winston-Salem and Charlotte?
- The United States Performance Center is still a possible use for some of the NCRC property, but it remains to be seen how much.
- Next phase of NCRC needs to be defined jointly between the City, the new owner and the existing entities on the Campus. One key question: should the NCRC become an actual operating entity with its own structure, brand and mission?

UNITED STATES PERFORMANCE CENTER

As originally proposed the United States Performance Center (USPC) was intended to facilitate 20 unique sport specific venues for the primary purpose of creating a permanent and consolidated U.S. Olympic Village. It has been contemplated that the USPC would create an ideal platform for collaboration with the NCRC's academic researchers, faculty, and students. If this project is fully realized as originally contemplated, there would be significant positive impacts to the City and the counties of Cabarrus and Rowan and beyond:

- Establishment of North Carolina as the “Olympic State” and Kannapolis as the “Olympic City.”
- Tax base increases.
- Job creation.
- Contributor to the NCRC's next decade growth.
- Additional major downtown anchor.
- Tourism (mostly tournaments and events sponsored by the Olympic sport organizations).
- Magnet for other development.
- Community benefits – health awareness, youth, and adult programming – especially in sports that have little to no current following locally.

Unfortunately, the USPC project has not been able to establish a viable path forward due to a variety of factors, including the Covid-19 pandemic and lack of a supportable business plan.



OBSERVATIONS:

- For the USPC to completely come to fruition a new, creative plan of action will be necessary.
- As part of the formation of this Strategic Plan the decision will need to be made regarding this project and its future. Because of its complexities and likely public investments, it needs to be one of the Plan's Focus Areas if the desire is to continue to work towards a potential positive outcome.

MIDWAY/NORTH MAIN STREET

Less than one mile south of Downtown Kannapolis is an area long referred to as “Midway.” Less than one mile north is an area referred to as “North Kannapolis.” These are urban corridors along Main Street that are in need of significant redevelopment efforts – not unlike the downtown effort of recent years.

Both areas have “good bones” with a few traditional buildings, but also face substantial challenges to revitalization including vacant and dilapidated structures, fragmented and unmotivated private ownership, limited and poorly developed housing options, aging or incomplete public infrastructure (notably the lack of sidewalks and streetscaping), small parcel sizes and impacts of the adjacent railroad right of way.

However, there are positives. Both Midway and North Kannapolis have the feel of a more traditional Main Street, and both have some interesting history including a time when the corridor was far more vibrant and active than it is today. These two corridors have the potential to be cool, artsy, hip areas of the City. They could be excellent locations for culturally diverse, mixed-income focal points of our City. Both areas can also “feed” off of the significant public investment already made in the nearby downtown. There are plenty of examples of this kind of revitalization effort across the country, including some in our region and state (NoDa in Charlotte, West Asheville, etc.).

The entire Midway area is also included in the Federally and State-designated Opportunity Zone or “OZ”, which could be a factor in attracting new private investment. The North Kannapolis area is not located in an OZ.



OBSERVATIONS:

- Unlike Downtown, which is dominated by large investors/property owners, the Midway and North Kannapolis areas represent an opportunity for small businesses who want to own their own buildings but do not have an opportunity to do so in downtown. Midway could be that chance for this type of local ownership.
- With their locations on Main Street, these redevelopment areas are poised to serve as major gateways from the north and south into downtown.
- Both revitalization projects would serve as additional placemaking anchors for the City and given their proximity, could serve as expanded areas of the current downtown.
- To date, Midway appears to be a higher priority than North Kannapolis.
- Anchor projects such as a skatepark have been discussed for Midway. This needs a full vetting.

ECONOMIC DEVELOPMENT: DOWNTOWN

By most measures, downtown Kannapolis revitalization has been a success. Over 30 locally owned businesses opened in 2020 and 2021, during a pandemic. Vida was fully leased within 10 months and sold to a firm based in New Jersey. The Cannon Ballers doubled their 2019 attendance, setting team records for average fans per home game (2,701) and overall attendance (162,031) in 2021 even with a Covid-impacted, short season.

Downtown and the ballpark attract visitors from all over the region. Non-resident visitor traffic to downtown/NCRC area is heaviest on the weekends and Mondays. Most visitors come from the Charlotte MSA, followed by Greensboro-High Point-Winston Salem and Raleigh-Durham areas. Top destinations over the last year include Atrium Health Ballpark, NC Research Campus, Laureate Center, Old Armor Brewery, Kannapolis Train Station, Dale Earnhardt Plaza, Topsy Hare Ciderworks, and Chophouse 101. Note that Gem Theatre was not among the top destinations for visitation, due to it being closed February through May for renovations. It is expected that the re-opened Gem and the newly renovated Swanee Theatre will become additional hotspots for visitors over the next year.

Additional residential development is coming. Townhouses and more apartments are under construction. A larger residential population is key to a thriving downtown.

Along with downtown growth comes growing pains, including managing parking, coordinated marketing, and retaining a balance of types of businesses.



OBSERVATIONS :

- Parking is going to be an ongoing challenge.
- Communication among the various key players needs continual improvement.
- Pedestrian-vehicular conflicts could warrant changes.
- The remaining 15 acres of the Plant 4 property is the final tract of land the City owns from the original downtown purchase. Careful consideration to its future is imperative.
- The relationship between Downtown and the next phase of the evolution of the NCRC will be an important factor in decision making in the coming years.

ECONOMIC DEVELOPMENT: KANNAPOLIS PARKWAY/EXIT 54

Exit 54 opened in 2002 connecting Poplar Tent Road and NC Hwy 73 and was quickly followed with heavy retail development on both sides of I-85 with the development on the north side of the interstate being in the City of Kannapolis. From the interchange, Kannapolis Parkway heads north to NC Hwy 3 (Mooresville Road).

Afton Ridge Shopping Center opening in the early 2000s that included dining, commercial, and retail. This development included the construction of Glen Afton Blvd which current connects Kannapolis Parkway with Poplar Tent Road. The Afton Ridge development includes:

- Large Retail Anchors
- Out-parcel Development
- Restaurants
- Multi-family
- Large Warehouse/Distribution Facilities

Current and Proposed development in the area include:

- Industrial Development
- Multi-Family Development
- Commercial Development
- Medical Offices
- Out-parcel Development

Future commercial development opportunities exist along Glen Afton Blvd within the Afton Ridge Development and along Kannapolis Parkway. A new Northwest Cabarrus High School is planned for the intersection of Kannapolis Parkway and Rogers Lake Road.

A bridge at the Parkway and NC 73 is planned as is the widening of NC 73 to multiple lanes.



OBSERVATIONS :

- The original developer of Afton Ridge bought the raw land with the intent of developing it for industrial and distribution purposes. It rapidly became clear that the demand for mid- to higher- end commercial and mixed-use investments was real.
- In more recent years several industrial and distribution projects (like Gordon Foods) began to make their mark on the project.
- The future of Kannapolis Parkway is bright with hundreds of acres available for a wide range of uses.
- The most notable new project on the horizon is the 200+ acre property on the southwest corner of the Parkway and NC 73. It is no potentially migrating towards development as a corporate park.
- The City's can guide development along this corridor with our sewer allocation and development standards.

ECONOMIC DEVELOPMENT: D.E. BLVD/EXIT 60

Exit 60 opened in 1992 and was quickly followed with heavy retail and office development on both sides of the freeway.

NorthLite Shopping Center opening in the early 2000s that included dining and retail. This development included improvements of Roxie Street which provides connection between Dale Earnhardt Blvd and NC Hwy 3 (Concord Lake Rd). The improvements to Roxie Street sparked development in both Concord and Kannapolis including:

- Large Retail anchors
- Out-parcel development
- Multi-family
- Hotel
- Dining

Improvements to the interchange were completed in 2019 which modified the interchange improving traffic flow and reducing congestion within the area.

Current and proposed development in the area include:

- Earnhardt Town Center which includes mixed-use, office, retail, senior living, and medical office
- Multiple multi-family opportunities

Future commercial development opportunities also exist along Coldwater Ridge Drive.

OBSERVATIONS:

- Development in this area is subject to watershed regulations that have some limitations on the amount of impervious surface.
- Increased traffic congestion, noise, and safety are concerns for nearby residents as this area develops.
- It is likely that Dale Earnhardt Blvd in this area will need to be configured over the long term to eliminate curb cuts, reduce left turn movements, and add sidewalks and bike lanes to accommodate future growth.



ECONOMIC DEVELOPMENT: LANE STREET/EXIT 63

Exit 63 remains largely undeveloped. Improvements to the interchange were completed in 2019 which modified the interchange improving traffic flow and reducing congestion within the area. Development at this interchange is fully controlled by Kannapolis. Lane Street serves as a gateway to downtown Kannapolis.

Existing development in the area includes:

- Atrium Health Emergency Facility
- Travel Centers
- Restaurants
- Hotel
- Commercial Development
- College Station- Rowan Cabarrus Community College at Lane Street and Cannon Blvd with over 300 students

Current and proposed development in the area include:

- Metro 63 - a 700,000 +/- sf industrial facility between Royce Street and Brantley Road
- Lakeshore Corporate Park- a 702,000 +/- sf industrial facility development (re-development of the Kannapolis Intimidators Stadium property)
- Lane Street gated multi-family
- Redevelopment of outparcels at College Station

Future development opportunities also exist adjacent to Lake Fisher.

Proposed improvements to Lane Street scheduled for 2022 from I-85 to downtown Kannapolis will include dedicated turn lanes to improve traffic flow in the area.

OBSERVATIONS :

- Watershed restrictions and limited land availability make the economic impact of this interchange less impactful than others in the City.
- At least 2 million square feet of industrial space is planned.
- Both major industrial projects have already been granted wastewater capacity.



ECONOMIC DEVELOPMENT: KANNAPOLIS CROSSING/EXIT 65

Exit 65 on I-85 at Old Beatty Ford Road opened in 2019. Construction is scheduled to begin in 2022 with the development of mixed use and industrial development. Current plans also include the construction of multi-family and single-family homes that will allow residents to work, shop, and live at the development.

The City has invested in the success of the development of this interchange by extending over \$10 million water and sewer infrastructure to facilitate the proposed development, including financial contributions of \$3 million from the developer and \$1 million and other contributions by Rowan County.

The estimated build-out of the project is 2028 with a projected investment of \$368 million. This would result in the City netting \$42.1 million in property tax revenue over 22 years and Rowan County netting \$43.9 million over the same period.

The interchange serves to provide a northern gateway into the City by providing connectivity through southern Rowan County into Kannapolis. The development of the Kannapolis Crossing project will be a catalyst for future economic development opportunities within the area as well as providing high quality housing opportunities for residents.

Overlook 85 is industrial component of the project. At full completion more than 4 million square feet of manufacturing and distribution/logistics space will have been completed. By comparison, Cannon Mills Plant One at its peak included 6 million square feet.



OBSERVATIONS :

- Due largely to Covid and other influences in the local economy this project shifted from the original “Birkdale” type development design to a predominantly industrial focus (with smaller mixed use and residential components).
- This shift has generally been viewed as a positive (greater investment, more job creation).
- However, there is another line of thinking that the shift is a lost opportunity to have a socio-economic transformation in southern Rowan County.
- This project will be one of the predominate job creation opportunities for the City and for Rowan County.
- Industrial development in Rowan County is booming due to its location along I-85 and available land.

ECONOMIC DEVELOPMENT: CANNON BOULEVARD

Cannon Boulevard (US Hwy 29) is a major transportation and commercial corridor which serves the City of Kannapolis, along with surrounding communities and the greater Cabarrus County/Rowan County area. The intersection of Cannon Boulevard and Dale Earnhardt Boulevard is one of the most congested in the City of Kannapolis.

The City of Kannapolis has begun the process for a plan which provides a long-range vision for transformation of Cannon Boulevard into a 21st century thoroughfare. The plan includes strategic use, transportation, and design recommendations to facilitate this transformation.

The plan identifies challenges and opportunities along Cannon Boulevard. The existing development along the corridor presents challenges of limited commercial depth due to adjacent residential development. Some re-development of existing parcels along Cannon Boulevard has occurred including multiple fast-food restaurants and the Cabarrus County Human Services Center.

The plan identifies modified cross sections for Cannon Boulevard that will include streetscape improvements to enhance the visual attractiveness and accessibility for pedestrians. As re-development along the corridor occurs, these enhancements can be incorporated. It is suggested by the plan that targeted investments should be made at key locations to attract private investment.

There are transportation improvement projects planned by NCDOT along Cannon Blvd that will enhance traffic flow and minimize congestion. One of these projects is the improvement to Cannon Boulevard and Dale Earnhardt Boulevard which will incorporate Michigan lefts with U-turn bulbs.



OBSERVATIONS:

- Early in this strategic planning process we expect to present a recently completed Cannon Blvd Corridor Plan will go to Council for its approval. That plan should be the basis for a strategy development along this corridor.
- Due to the lack of greenfield sites along Cannon Blvd compared to the other development areas more extensive public investments will be necessary to catalyze private redevelopment.

ARTS, ENTERTAINMENT, CULTURE & TOURISM

Performing Arts Venues

- Kannapolis Performing Arts Center
 - The Kannapolis Performing Arts Center is a 1,900-seat theatre located in A.L. Brown High School.
 - Equipped with state-of-the-art lighting and sound, it serves as the area's premier cultural and entertainment showcase.
- Gem Theatre
 - Gem Theatre is a circa-1948 single-screen theatre showing 1st run films in a large, regal space with a balcony. There is the potential for more live performances in the future.
 - The City is in the process of renovating the Theatre and has restored its marquee sign. A second round of renovations are planned.
- Summer Concert Series
 - Discover Fun in Kannapolis hosts an annual Summer Concert Series from April to August.
- Swanee Theatre
 - The newly renovated movie theater serves as a music venue hosting smaller, more intimate crowds for rising music artists. This facility is now independently owned and operated.



ARTS, ENTERTAINMENT, CULTURE & TOURISM

Kannapolis Special Events

- Celebration of Lights & Kannapolis Christmas Parade
 - Each year the city hosts a month-long Christmas and winter celebration in Village Park.
 - The Celebration boasts more than 250,000 lights as well as rides, food, and live performances.
 - Each year, the annual Kannapolis Christmas Parade brings in thousands of spectators.
- Jiggy with the Piggy Festival
 - This May weekend festival includes a Kansas City Barbeque Society Competition, rides, a 5K walk/run, arts and crafts, concerts, and more.
 - Partners in the event include the City of Kannapolis, Kannapolis Rotary, Kannapolis YMCA.
- Kannapolis Farmers Market
 - The Kannapolis Farmers Market is open every Thursday evening, typically May through September.
 - New and returning vendors offer a wide variety of fresh, local produce, as well as honey, prepared foods, spices and crafts.
- Other events include:
 - Run Kannapolis
 - Loop the Loop
 - Cruise-In
 - Sweet Street
 - Downtown-focused events
 - Events at Atrium Health Ballpark



ARTS, ENTERTAINMENT, CULTURE & TOURISM

Public Art

A component of the Downtown Revitalization was the addition of the first public art in the City.

Five sculptures are located downtown and a sixth is located in Village Park. All were done by award winning North Carolina artist Tom Risser. They are metal and are whimsical in nature.

Five were endowed with private funds and installed by City staff. The sixth is on loan from the artist.

OBSERVATIONS:

- Will there be interest in continuing a public art initiative? Some cities are requiring public art installations in all major development projects, public facilities or amenity areas.
- Consideration for forming a public arts committee and funding for art are future possibilities.
- The Cabarrus Arts Council and others could be utilized as a partner in these endeavors.



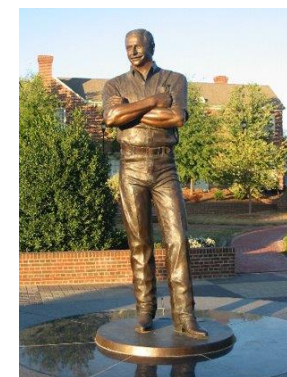
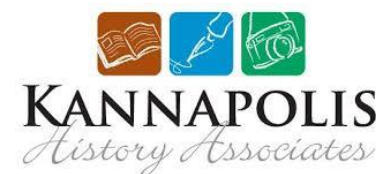
ARTS, ENTERTAINMENT, CULTURE & TOURISM

Museums and Historic Preservation

- Dale Earnhardt Tribute
 - This site honors the racing legend, who was born and raised in Kannapolis
 - Visitors can follow the “Dale Trail” around Kannapolis, a showcase of his racing history, his family, and the City itself.
- The Curb Museum for Motorsports
 - This museum includes the #2 car driven by Dale Earnhardt during his 1980 championship season as well as the #43 car driven by Richard Petty for his 199th win.
- The North Carolina Music Hall of Fame
 - The North Carolina Music Hall of Fame celebrates the past, present, and future of North Carolina’s music history.
 - Exhibits include the Charlie Daniels Band, Nina Simone, Chairman of the Board, Clyde McPhatter, Donna Fargo, Thelonus Monk, and Victoria Livengood.

OBSERVATION:

A Cultural Arts Plan has been put on hold pending the outcome of this strategic planning process. The plan, among other things, would explore the possibilities for the creation of a History Museum, a Cannon Family Tribute Project, a Kannapolis African American Museum and Cultural Center and a relocated/ expanded North Carolina Music Hall of Fame Museum. The idea of Mill Village preservation is an additional topic. The first step may be to establish a focus area to examine this topic more closely.



ARTS, ENTERTAINMENT, CULTURE & TOURISM

Professional Baseball

- Atrium Health Ballpark is home to the Cannon Ballers minor league baseball team. The ballpark can also host concerts and other indoor and outdoor events.
- The focus of the ballpark is the total fan experience with a unique variety of viewing options (loge boxes, standing drink rails, party deck, large outdoor bar, etc.). The facility accommodates an attendance capacity of 4,877. There is a 6,000 sq. ft. Banquet/Club Space.
- Featured amenities include carnival games, a 360-degree concourse, an outfield bar for 150 people, a left-field picnic area for 300 people, and a Kid's Zone, which contains a rope-and-cable play structure and splashpad.
- It is a city park, open for public use throughout the year.
- Construction began in October 2018 and it opened to the public in Spring 2020.
- The South Atlantic League is now comprised of 12 teams in two divisions- Northern & Southern. The Cannon Ballers is in the Southern Division.



Northern Division		Southern Division	
Team	MLB Affiliation	Team	MLB Affiliation
Carolina Mudcats	Milwaukee Brewers	Augusta GreenJackets	Atlanta Braves
Delmarva Shorebirds	Baltimore Orioles	Charleston Riverdogs	Tampa Bay Rays
Down East Wood Ducks	Texas Rangers	Columbia Fireflies	Kansas City Royals
Fredericksburg Nationals	Washington Nationals	Fayetteville Woodpeckers	Houston Astros
Lynchburg Hillcats	Cleveland Indians	Kannapolis Cannon Ballers	Chicago White Sox
Salem Red Sox	Boston Red Sox	Myrtle Beach Pelicans	Chicago Cubs



ARTS, ENTERTAINMENT, CULTURE & TOURISM

Motorsports

- Charlotte Motor Speedway is a motorsports complex location in Cabarrus County, less than 20 minutes from downtown Kannapolis.
- The complex features a 1.5-mile oval track that hosts NASCAR racing for the Cup Series, Xfinity Series, and Camping World Truck Series, among others include:
 - Coca-Cola 600
 - All-Star Race
 - Bank of America Roval 400
- The facility is considered one of the busiest sports venues in the country, hosting over 380 events per year Charlotte Auto Fair semiannually, one of the nation's largest car shows.
- Z-Max Dragway
 - Located in the Charlotte Motor Speedway complex, it is the only all-concrete, four-lane drag strip in the United States and hosts NHRA events.
- The Dirt Track
 - Located next to the Z-Max Dragway complex, it is a 1,300-foot clay oval stadium-style facility, seating nearly 14,000.
- Stewart Haas Racing and Haas F-1
 - Operates out of a 200,000 SF facility built in 2006 in the Kannapolis Gateway Business Park, employs nearly 370 people, and fields multiple cars in the NASCAR Cup Series.
 - Stewart-Haas shares its Kannapolis headquarters with its sister Formula One racing team, Haas F1 team.
 - Haas F1 Team is the only US-based Formula One racing team.



ARTS, ENTERTAINMENT, CULTURE & TOURISM

Regional Opportunities - Uptown Charlotte

- Uptown Charlotte is just a 30-minute drive from Kannapolis' downtown.
- Hospitality/Amenities:
 - 18 cultural venues
 - Over 150 restaurants and clubs
 - Over 100 pro/college sporting events
 - Over 1,200 cultural performances per year
 - Over 4,000 hotel rooms
 - 280,000 square feet of convention center space

Charlotte Based Professional Sports

- Carolina Panthers of the NFL
- Charlotte Hornets of the NBA
- Charlotte FC of the MLS
- Charlotte Knights (AAA affiliate of the Chicago White Sox)
- Charlotte Checkers (AHL affiliate of the Carolina Hurricanes)
- Charlotte Hounds of Major League Lacrosse
- Charlotte Independence of the United Soccer League
- PGA Tour event at Quail Hollow Country Club



ARTS, ENTERTAINMENT, CULTURE & TOURISM

Concord Mills

- Concord Mills is located just off I-85, one mile from Charlotte Motor Speedway in Cabarrus County and five miles from Kannapolis corporate limits.
- With approximately 17 million annual visitors, Concord Mills is the largest tourist attraction in North Carolina.
- The 1.4 million square foot, climate controlled indoor mall features over 200 stores, a 26,000 square foot aquarium, and an AMC movie theater.
- Concord Mills is home to manufacturer and retail outlets and unique specialty stores ranging from women's apparel to sporting goods to jewelry.
- Concord Mills is the home of North Carolina's only Bass Pro Shops.
- Concord Mills is owned and operated by Simon Property Group.

The Club at Irish Creek

- The Club at Irish Creek is consistently named as one of the Top 50 Golf Courses in North Carolina.
- The course hosts numerous tournaments and events each year, including the PGA Tour Q School First Qualifying Stage and the Collegiate Championship.



NIGHTLIFE AND THE SOCIAL SCENE

In 2021, US News and World Report identified the Charlotte region as one of the fastest growing regions in the United States. The three reasons identified for this growth were: job market, value index, and quality of life. The City of Kannapolis is positioning itself to be a leader in the Charlotte region for providing excellent jobs, great value, and a wonderful quality of life. This overall quality of life is exemplified by our growing downtown nightlife and social scene.

In Kannapolis, residents and visitors alike have access to the performing arts, festivals and a summer concert series, as well as tourist attractions like Concord Mills and Irish Creek Golf Club. Residents have their choice of professional sports franchises to cheer on ranging from football, baseball, soccer, and golf.

Downtown Kannapolis is becoming a hotspot in the region for its nightlife and social opportunities. Fueled by a City investment of over one hundred million dollars, and the establishment of the State's first Alcohol Social District, residents can frequent several different restaurants, a brewery, go bowling, see a movie, attend live musical performances at numerous venues, or see the local professional baseball team play over 65 nights per year. Along with shopping at many trendy boutiques, there is something for everyone in Downtown Kannapolis.

OBSERVATION:

While there are social opportunities in Downtown Kannapolis, a variety is lacking considering the overall population. Even the downtown merchants discuss the need for more restaurants, bars, and places for people to meet, and hang out. The City has approved multiple high density multi-family projects in the downtown area that are either currently or will be under construction very soon. Given the number of new people visiting Kannapolis, more eating and social establishments are desperately needed to keep people coming back.



PARKS AND RECREATION FACILITIES

Active Parks

- *Safrit Park*. 17 acres; one full-size lighted soccer field; two 300' lighted softball fields; 0.5-mile paved walking trail; playground area; picnic shelter; restroom/concession facility.
- *Bakers Creek Park*. 40 acres; one 285' lighted softball field; four lighted tennis courts; outdoor basketball court; horseshoe pits; sand volleyball court; playground area; four picnic shelters; walking trails; restroom/concession facility.
- *Pleasant Avenue Park (Dixie Youth facility)*; 4 acres; one lighted 200' baseball/softball field; future multi-use rectangular field; restroom/concession facility.

Passive Parks

- *Village Park*. 15 acres; amphitheater; g24 scale train; double-decker carousel; splashpad w/restrooms; pond/water feature; 5 picnic shelters; 2 playgrounds; program room; sidewalks; open lawn space; restroom/concession facility.
- *Veterans Park*; 2 acres; water feature; sitting areas; gazebo/band shelter; sundial.
- *West Avenue Linear Park*; 5 acres; multiple water features; sitting areas, small performance stages; open lawn space; restroom facility.
- *Atrium Health Ballpark*; 3 acres; 0.3-mile walking loop around concourse; splashpad; playground area.
- *Dale Earnhardt Tribute Plaza*; 0.5 acres; statue of Dale Earnhardt; sitting areas.
- *Mountain St. Park*; 0.5 acres; small playground; sand volleyball court; picnic shelter; restroom facility.
- *James St. Park*; 0.1 acres; small playground, picnic shelter.



Greenways

- *Bakers Creek Greenway*. 0.5 miles of 10' wide paved walking trail (Goldston Ave. to West A St.)
- *8th Street Greenway*. 0.5 miles of 10' wide paved walking trail (West A St. to Loop Rd)
- *Irish Buffalo Creek Greenway (Phase 1)*. 2.7 miles of 10' paved walking trail (Orphanage Rd to Rogers Lake Rd.)
- *Rocky River Greenway (Phase 1)*. 0.5 miles of 10' wide paved walking trail with paved trailhead parking area (Off of Shiloh Church Rd)

OBSERVATIONS:

- With large tracts of land becoming a premium in the City consideration should be given to establishing a land bank for future park & greenway needs.

E. HOW ARE WE DOING?

Infrastructure & Physical Assets

The City's continued growth and economic prosperity is tied directly to its ability to provide water, collect and treat wastewater and to move people and goods around the region and beyond. The needs are daunting but that shouldn't be a reason to ignore them. Generally, the City's water capacity issue was resolved a decade ago. Future wastewater capacity is being resolved now but it will take some time.

One of the more challenging issues for the City is its aging local infrastructure (water and sewer lines, and street conditions) which has an estimated funding backlog of about \$300 million. Stormwater management needs are not included in this estimate.

A transit plan for Cabarrus/Kannapolis/Concord is in place but it is extraordinarily expensive to implement. Highway capacity is good but needs continual improvement, most notably the need for the widening of NC 73.

A hidden challenge; the need for a new landfill solution sometime in the next decade.



CLEAN, SAFE, RELIABLE, DRINKING WATER

- The City currently maintains over 351 miles of finished water lines varying in size from 2-inch to 30-inch and 13 miles of raw water line ranging 12-inch to 42-inch.
- The water system and water treatment plant has had no violations nor major interruption of utility service.
- The City was awarded the 2020 and 2021 NC State awards for exceeding minimum water quality standards.
- Engineering for the clearwell project is nearly complete that will put the City in compliance with the state minimum storage requirements allowing us to facilitate continued growth.
- Engineering for the replacement of the Kannapolis Lake Spillway is anticipated to be completed this year with a new labyrinth tooth structure to address the existing aged and deteriorated spillway.
- In 2021, the City completed the federally required American Water Infrastructure Act (AWIA) assessment of the City's water system that evaluated our risk and resiliency. The assessment identified several areas for improvement and a plan to address the areas of need is currently underway.



CLEAN, SAFE, RELIABLE, DRINKING WATER

Kannapolis has partnered with the City of Concord to secure 20 million gallons per day (MGD) of water from the Yadkin and Catawba Rivers through an Interbasin Transfer (IBT) Certificate. The City retains the right to transfer 10 MGD from the Yadkin River and 10 MGD from the Catawba River. Kannapolis' portion of the IBT is 40%, or 8.0 MGD and Concord's portion of the IBT is 60%, or 12.0 MG.

Current system demand and capacity:

Water Treatment Plant Capacity – 15.0 MGD

Water Treatment Plant Average Treatment – 4.4 MGD

Total System Average Day Demand – 5.6 MGD

Max Day Demand – 6.5 MGD

Total Yadkin IBT Usage – 0.800 MGD or 20 % (max available 4.0 MGD)

Total Catawba IBT Usage – 0.00 MGD or 0 % (max available 4.0 MGD)

Total System Current and Future Capacity and Availability:

23.0 MGD capacity – 6.5 MGD max demand = 16.5 MGD available or 72 %

Kannapolis currently has interconnections with the City of Concord and City of Salisbury. Currently no water is purchased from Salisbury.

Kannapolis provides 100% of the water needed by the Town of Landis.

Kannapolis also has a three-way interlocal agreement with Concord and Albemarle to purchase treated water via the abovementioned IBT.

The City also maintains a contract with the City of Charlotte to purchase finished water that may be utilized in the future once the connection has been installed.



OBSERVATIONS:

- City has sufficient drinking water for growth needs through 2035. However, an expansion of Albemarle's Tuckertown Water Treatment Plant will be necessary to maximize the water purchases by Concord and Kannapolis.
- City needs to complete interconnection with the City of Charlotte to utilize Catawba River Basin IBT allocation to supplement western growth area water needs.

WASTEWATER COLLECTION AND TREATMENT

- The City currently maintains 331 miles of gravity sewer main ranging in size from 8-inch to 30-inch and 4.5 miles of forcemain ranging in size from 2-inch to 10-inch.
- The City currently has 14 sanitary sewer lift stations and one under construction.
- Due to the unprecedented development within the region the current demand for sanitary sewer has outpaced the available treatment capacity at the Rocky River Regional Wastewater Treatment Plant (RRRWTP).
- Developments will be required to compete and phase in accordance with City Council's approved Wastewater Treatment Allocation Policy.
- Phase 1 of the RRRWTP expansion to 30 MGD is scheduled to be online the first quarter of 2024.
- Phase 2 of the RRRWTP expansion to 34 MGD is scheduled to be online in 2027.
- Phase 3 to expand the RRRWTP beyond 34 MGD is in the initial planning stages.
- Kannapolis' allocation currently allows the City to proceed with all contractually obligated private land development projects and approximately 14 new prospective development projects phased to coincide with the proposed RRRWTP expansions. All other prospective developments will be considered following the Phase 3 expansion of the treatment plant.



OBSERVATIONS:

- All future developments will have to be phased to accommodate the wastewater capacity constraints within the basin.
- Finding the reasonable balance between allocating wastewater treatment capacity to different land use types will be an ongoing burden for local governments in Cabarrus County.
- Exploration of potential wastewater re-use opportunities that could potentially reduce the overall wastewater treatment demand is needed.

STORMWATER MANAGEMENT

The City of Kannapolis is confronted with unique challenges relative to Stormwater Management as there are numerous older developments adjacent to the many streams that flow through the City. These developments were built in a time when there was little thought given to stormwater runoff. These historically unregulated developments have created issues with the quantity of stormwater runoff on adjacent properties.

The City's challenge is to address these issues by implementing drainage projects that capture stormwater in new piping upstream from properties that are experiencing heavy runoff. This flow can be re-directed around these downstream properties and then discharged into natural drainage outfalls. By addressing these runoff issues, the City can create opportunities for new development or re-development of properties that are currently undesirable.

In addition to providing new storm drainage systems, the City must also be diligent to address existing undersized and failing storm drains. While these systems may be adequate for the areas they capture, the development of the watersheds has converted natural landscape into impervious areas. This conversion from woodland and grass to roof tops and asphalt decreases the amount of time stormwater takes to reach these systems and in turn increases the intensity of runoff and sediment load in the pipe systems. The City must continue to maintain existing storm drainage infrastructure and upsize the system as necessary to provide opportunities for future development.

Kannapolis maintains approximately 500 miles of storm system in compliance with stormwater regulations.



OBSERVATIONS:

- The City has attempted to proactively address stormwater issues and must continue to make stormwater a priority to manage and facilitate growth. In order to do this, a comprehensive Stormwater Master Plan that establishes priorities and identifies capital needs is needed.
- Future funding for stormwater improvements may need to include targeted assessments where the benefitting property owners help pay for the specific projects.

RECYCLING & LANDFILL MANAGEMENT

- The Speedway Landfill current expected life is 10-years and upon reaching capacity we will have to transfer waste to other facilities that have capacity at a significantly higher cost. This will most likely involve transfer stations, handling and transportation cost.
- Recycling contamination continues to be a challenge with some loads rejected at Charlotte materials recovery facility (MRF) resulting in fines and increased processing cost.
- Due to the pandemic, an increase of working and learning from home generated more waste and contamination to the recycling stream with residents using their recycling cart as a second trash cart.
- Resident education: how to properly recycle is critical to increase marketability and continue to extend the life of our landfill.
- The market for clean recyclable goods is difficult due to contamination and processing cost compared to just purchasing new material.
- The number of MFR in the area and their available capacity is limited without significant improvements to facilities.
- A viable recycling program is important to industry looking to relocate or residents moving to our area to be viewed as a progressive community valuing quality of life.



OBSERVATIONS:

- Need for a long-term solution for our solid waste disposal in conjunction with our area communities.
- Enhanced recycling education regarding what items are acceptable in the recycling stream.
- Cost of waste disposal will be more expensive due additional handling and transportation costs.

MULTI-MODAL TRANSPORTATION PROJECTS

The North Carolina Department of Transportation has a number of projects in various stages of planning, design and construction which directly impact the City of Kannapolis:

- **NC Highway 3.** Two lanes now open. Remainder of the project to be completed by late 2022.
- **Brantley Road/Lake Fisher Bridge.** Replacement. Under construction with completion in 2023.
- **Lane Street.** Repaving and Road Diet. To begin construction in Spring 2022.
- **Kannapolis Train Station Improvements.** Second platform on east side of the RR tracks, parking lot and a pedestrian bridge. Construction scheduled to begin summer 2022.
- **Rogers Lake Road/South Main Street.** Grade separation. Construction scheduled to begin summer 2022.
- **Cannon Blvd/Dale Earnhardt Blvd.** Intersection improvements including installation of “Michigan Lefts” (no left turns at the intersection). Construction scheduled to begin in 2024.
- **Little Texas Road Sidewalk.** Lane Street to Dale Earnhardt Blvd. Construction scheduled to begin in 2024.
- **North Main Street Improvements.** North Loop Road in Kannapolis to China Grove. Sidewalks, curb and gutter, bicycle lanes. Construction scheduled to begin in 2025.
- **NC Highway 73 R-5706B** (*Cabarrus County Portion of NC Hwy 73 project*) Widening to multi-lanes from Poplar Tent Rd to US 29. Construction unfunded, forecast for 2032.
- **Kannapolis Parkway/NC 73.** Grade separation. Construction unfunded, forecast for 2032.



MULTI-MODAL TRANSPORTATION

The City is faced with the challenge to provide adequate alternate means of transportation opportunities to residents. The City has several congested intersections along Cannon Blvd that are barriers to pedestrians crossing Cannon Blvd.

The City is committed to providing multi-modal facilities at these intersections as improvements are made by NCDOT. The addition of bicycle and pedestrian facilities at these locations will make alternative means of transportation safer. In addition, the City supports the inclusion of bike lanes or shared use lanes to encourage cycling as a means of transportation throughout the City.

The passage of the Bipartisan Infrastructure Law will provide funding for a wide variety of projects. The City has compiled an eligible project list that has been reviewed with our Federal delegation that incorporates multi-modal facilities to provide alternative forms of transportation.

A few of the top projects that will likely score well and be of benefit to Kannapolis as well as the region are:

- South Main Street Improvements (Midway area and south)
- Northern Extension of Kannapolis Parkway
- Ebenezer Road Improvements
- China Grove Road Improvements
- West A Street Improvements
- Replacement of CK Rider Transit Buses with electric buses

Another multi-modal opportunity is the Amtrak system which connects Kannapolis with the entire eastern seaboard. Currently six of the eight Amtrak/NCDOT trains stop in Kannapolis daily with three in each direction.



OBSERVATIONS:

- Expansion of Amtrak service could enhance commuter options between Raleigh and Charlotte.
- Significant efforts on pursuing federal grants and earmarks should be a high priority for the City.
- The 2021 City Council Retreat contemplated the development of a comprehensive Transportation Plan which may be a smart investment.

PUBLIC TRANSPORTATION

- The CK Rider System is a joint venture of the cities of Kannapolis and Concord to provide fixed-route (bus) and ADA Paratransit public transit services.
- Service began in April 2004. At the time of its beginning, Concord and Kannapolis were the two largest cities in the state without public transportation services.
- Currently there are seven local routes and one regional express route serving both cities. The system maintains a fleet of 17 passenger carrying vehicles.
- A \$2.9 million federal grant was recently received to replace 6 buses.
- FY 22 budget = \$5.08 million.
~ 49% of the CK Rider funding comes from the Federal Government (Federal Transit Administration & the North Carolina Department of Transportation). The remaining budget is covered by fares, Concord & Kannapolis vehicle fees (\$5), and General Fund contributions from Concord and Kannapolis.



Total System Ridership (since April 2004)	
Fixed Route	6,788,307
Paratransit	92,055

ANNUAL RIDERSHIP

	<u>2004</u>	<u>2010</u>	<u>2019</u>
Routes	6	7	8
Stops	124	250	282
Riders	142,000	386,579	436,164

Single Year Ridership Record - 2014 = 491,204

One million passengers August 2007

Two million passengers March 2010

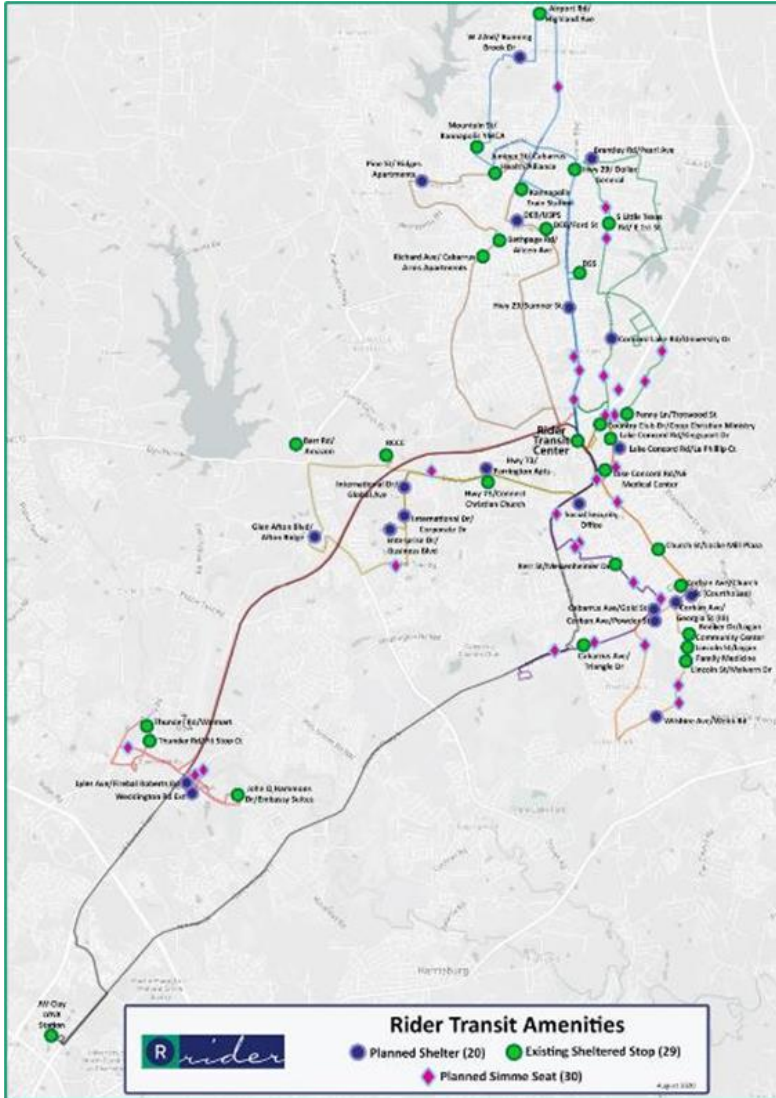
Three million passengers March 2012

Four million passengers October 2014

Five million passengers February 2017

Six million passengers July 2019

PUBLIC TRANSPORTATION



- **Rider Transit Amenities (Kannapolis)**
- 123 Stops
- 11 shelters (7 additional planned)
- 264 schedule information displays (system-wide)
- Video & audio safety & security system
- Free Wi-Fi on board



PUBLIC TRANSPORTATION

- 62,000+ people/day commute between Cabarrus and Mecklenburg counties each workday
- Current transit challenges are:
 - Need extended service hours
 - More frequent service
 - More fixed route service
 - Increased demand response service area
- Cabarrus County expected to grow 50% or more over next 20 years.
- Cabarrus EDC regularly receives questions about the availability of transit service for ED projects.



OBSERVATIONS:

- How do we grow the system and plan responsibly?
- Cabarrus County is rapidly growing: need to develop a pathway to long term local and regional public transit options now. This may require a complete rethinking of the current system to address future needs.
- Development of realistic cost information and financing options should be addressed.
- Learning from riders and non-riders what would make transit an effective mobility option for them is important.
- An immediate study of the consolidation of Rider Transit and the Cabarrus County Transportation System (CCTS) is needed.

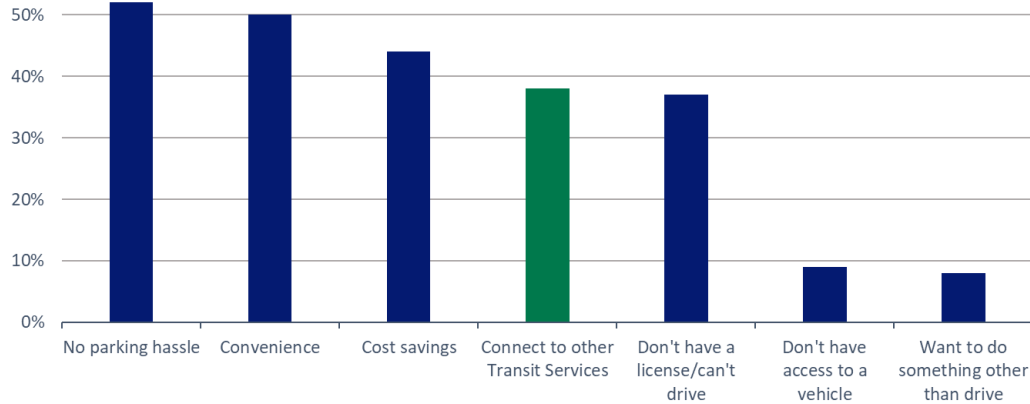


PUBLIC TRANSPORTATION

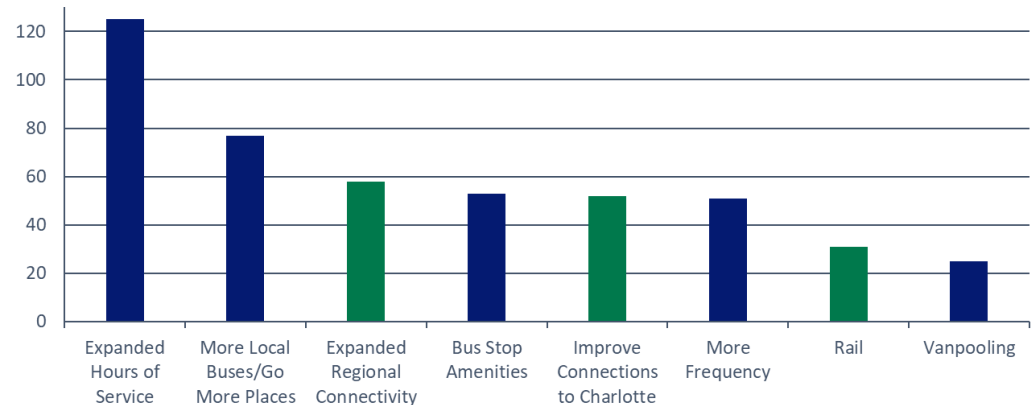
Community Engagement Summary



What are the primary reasons you would use a bus in the future?



Highest Priorities for the Next 20 Years

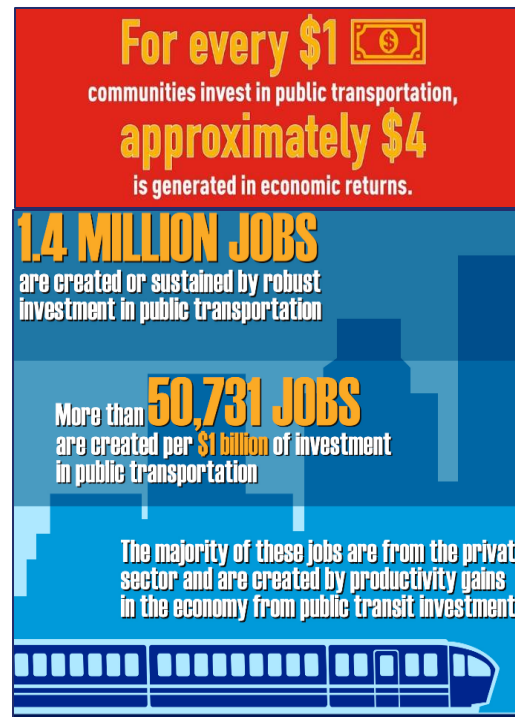


PUBLIC TRANSPORTATION

Transit and Economic Development

Increasingly, companies are prioritizing (and often requiring) transit as a key element when making a decision on where to locate or expand. Businesses increasingly want to be near bus and train lines, as they struggle to attract and keep top talent who increasingly don't want to drive.

- Amazon HQ2 project made “**direct access to rail, train, subway/metro, bus routes**” a cornerstone of their decision matrix on where to locate their multi-billion-dollar project.
- Fedx, Red Bull, and others have inquired about transit stops for their facilities.
- McDonald's HQ moved from 97% car access to 10% car access by moving to an area with robust transit.



F. HOW ARE WE DOING?

Environment

While not as tangible as job creation or infrastructure expansion, our City's environmental well-being is an important indicator of the overall health of the community. It is clear that with continued rapid growth impacts on the air we breathe, the water we drink and the landscape we see will occur.

Federal Phase II stormwater regulations have forced the City to pay more attention to point source water degradation. A stormwater fee charged to residential and business property owners helps fund these efforts. Likewise, federal air quality non-attainment laws have the lingering potential to impact future road building. Federal CMAQ funding has helped improve traffic congestion, thus alleviating some level of air pollution. Clearly the rapid advance of electric vehicles will have the largest positive impact on our local air quality.

One issue that has become far more of a priority for City Council is the visual attractiveness of the City. Beautification projects and more robust litter clean up efforts are on the immediate horizon.



AIR QUALITY

- Air quality data for Kannapolis specifically is unavailable.
- Mecklenburg County monitors its air quality and has found the following trends:
 - Air quality in Mecklenburg has improved over the past decade, with the number of “Good” air quality index (AQI) days increasing from 102 in 2005 to 296 in 2020, based on federal standards. Mecklenburg County had previously exceeded the standard for ground-level ozone.
 - Mecklenburg County’s Particulate Matter Index (PM2.5 – soot particles that can cause health problems) has been improving over the past decade, although it is still rated as “Moderate”.
 - Mecklenburg has made significant improvements in its ground level ozone concentrations, going from an “Unhealthy” rating in the 2000’s to Moderate in 2015-2020. Ground-level ozone is the primary constituent of smog and is of particular concern in this area.
 - Mecklenburg is rated “Good” for its nitrogen dioxide, sulfur dioxide, and carbon monoxide levels.
- However, the American Lung Association’s State of the Air Report for 2020 gave Charlotte a “F” grade for experiencing more unhealthy days of high ozone levels than the previous year’s report. The area is ranked the 34th most polluted for ozone pollution, worse than the previous ranking of 52nd.
- With the passage of the Clean Air Act in 1990, Congress made funding available for projects to improve air quality. This funding is administered by the Cabarrus Rowan Metropolitan Planning Organization (CRMPO) for our area. The City has been proactive in pursuing Congestion Mitigation and Air Quality Improvement (CMAQ) funding for multi-modal transportation projects through CRMPO. These projects improve air quality by implementing mitigation measures to reduce emissions and encourage use of alternative means of transportation.



Projects Kannapolis has utilized CMAQ funding for include:

- Purchase of T3 Motion electric standup vehicles for the Kannapolis Police Department
- Intersection Improvements at Mt. Olivet Rd and NC Hwy 3
- Sidewalk installation along Dale Earnhardt Blvd
- Sidewalk installation along Oakwood Ave
- Construction of Irish Buffalo Creek Greenway between Orphanage Rd and Rogers Lake Rd
- Sidewalk installation along Bethpage Rd (currently in design)

CLEAN STREAMS

- As a part of the Phase II stormwater requirements, we are required by the US Environmental Protection Agency (EPA) to collect and test dry weather samples from all outfalls within our Municipal Separate Storm Sewer System (MS4). The purpose is to identify any illicit discharges that have occurred and may have an impact on water quality.
- This sampling has identified sources of pollutants that we have addressed with property owners to make corrective actions.
- One of the means that we have attempted to reduce illicit discharges to our creeks and streams is through the storm drain stenciling and marking program that provides a visual indicator to educate the public that storm drain discharge into our creeks and streams.
- The City faces several challenges related to maintaining clean streams. There are numerous point sources of pollution adjacent to the streams that run through the City and in many cases, the City does not have property owner permission or rights of way to enter the streams to perform stream clean-up efforts.
- Historically stream cleanup events have occurred in conjunction with Earth Day that we provide support services but primarily lead by other agencies.
- Though we don't have an official Adopt-a-Stream program various groups like our high schools, scouts, and residents have volunteered to clean nearby streams as a project.



OBSERVATIONS:

- A volunteer Adopt a Stream program could something that should be pursued.
- Challenges with Phase II stormwater requirements will continue to need to be addressed.

CLEAN STREETS AND BEAUTIFICATION

The City of Kannapolis is not unlike most municipalities as litter remains a problem along our streets and highways.

The City has placed an emphasis on education by funding a position to assist with educating the public. This education begins with educating children in the school systems about the negative impacts of littering.

In addition, the City supports and publicizes existing programs such as NC Litter Sweep which is traditionally scheduled for the last two weeks of April and September. This program is an initiative of NCDOT and encourages residents throughout the state to help clean up roadways.

City Council allocated funds to establish an additional Code Enforcement Officer to focus on litter enforcement. This increased code enforcement staffing has allowed more of a focus on addressing corridor compliance and beautification. Further, our recent initiative to use door hangers to address concerns has not only improved communication, but also increased our response times and compliance rates.

In the last two years we have increased the number of groups participating in the Adopt-A-Street Program to 18 groups who clean a street quarterly.

OBSERVATIONS:

- A strategic communications plan for educating people on ways to prevent littering is needed to raise awareness and change littering habits. A carrot/stick approach could be introduced to citizens. This could be a countywide initiative.
- Implementation of a beautification program with recognition for yard of the month, certified wildlife habitat, tree city, bee city, etc. could assist with these efforts and send the message that the City is serious about environmental issues. Other N.C. cities are banning plastic bags which are the number one problem at multi re-use facilities.
- A first step is to hire an environmental educator to spearhead these efforts with a heavy focus on a robust litter clean-up/beautification program. Establishing a local Keep America Beautiful affiliate program is another possible step.



CLEAN STREETS AND BEAUTIFICATION

In addition to improvements to the ecological visual improvements, there are components of the built environment that can make a significant difference in the way a City looks and feels.

Over the course of the past few years several initiatives have had varying degrees of discussion and commitment:

- Kannapolis Parkway/Highway 3 Decorative Street Lights and Landscaping (ranked 10th out of 58 projects in the 2021 City Council Virtual Retreat)
- Cannon Blvd Southern Entryway Aesthetic Improvements (ranked 12th).
- Cannon Blvd/Dale Earnhardt Blvd Intersection Aesthetic Enhancements (ranked 17th)
- First Street Bridge Replacement Aesthetic Enhancements (Ranked 29th)
- I-85 Decorative Monuments (ranked 41st).

Additionally, enhanced code enforcement has long been a topic of discussion but to date a far-reaching aggressive approach has not yet been implemented. Tensions between the City and property owners are always increased when proactive enforcement of codes and ordinances occurs.

OBSERVATIONS:

- A strategic plan focus group may be necessary to establish an appearance/beautification strategy. It may include and examination of needed public investments, proactive/aggressive code enforcement, and litter clean up.



G. HOW ARE WE DOING?

Social & Health

In the world of municipal government, social and health issues are often viewed as “somebody else’s problem.” With North Carolina’s local government structure that is often legally and operationally accurate. Cities don’t often spend time and money on solving these problems. Notable exceptions are housing issues, public safety services and promotion of active living of its citizens. These are all addressed in the following pages.

Additionally, topics such as racial equity, mental health and substance abuse, education and early childhood services are included here as well. These and other similar areas directly impact the livability, well-being and cohesiveness of our City.

To be sure, none of these topics have easy or inexpensive solutions. All of these challenges have solutions that will come through partnerships with both counties, non-profits, school systems and others.



EARLY CHILDHOOD

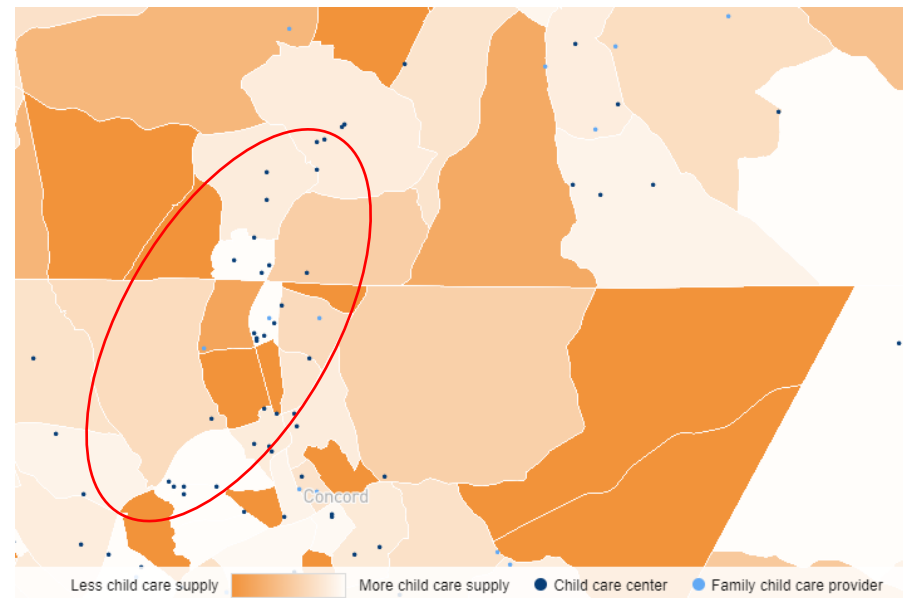
Childcare Deserts

- A childcare desert is any census tract with more than 50 children under age 5 that contains either no childcare providers or so few options that there are more than three times as many children as licensed childcare slots.
- 44% of people in NC live in a childcare desert. Source: Center for American Progress
- 71% of children aged 0-5 in Cabarrus County live in a households where all parents are presently employed.
- See the red oval: areas where there are childcare deserts in the City.



OBSERVATIONS:

- For many families, a decision about childcare is a decision about work.
- Childcare costs anywhere from \$7,000 to \$13,000 annually, per child.
- Affordability, as well as quality and availability are issues.
- Early childhood education benefits both the business community (workforce) as well as the children (future workforce).



EARLY CHILDHOOD

Cabarrus County Early Childhood Task Force

- Hired Carla Brown, Early Childhood Education Coordinator.
- Early Childhood Task Force – 15+ members focusing on issues for ages birth to 5 years.
- Opened Lockhart Child Development Center in 2021 at All Saints' Episcopal Church.
 - RCCC students train there for early childhood education programs.
 - Cabarrus County provides tuition assistance to County employees for up to 40 spots.
- Developing Early Childhood Action Plan to address these areas:
 - Healthy babies.
 - Preventative health services.
 - Food security.
 - Safe & secure housing.
 - Safe & nurturing relationships.
 - Permanent families for children in foster care.
 - Social emotional health & resilience.
 - High quality early learning.
 - On track for school success.
 - Reading at grade level.



COMMUNITY SAFETY - FIRE

- Fire Department ISO 1 (Highest Achievable Level)
- Five Fire Stations
- Eleven Apparatuses: five Engines, three Ladders, Hazmat/Technical Rescue, Brush Truck, and one Ambulance.
- 2021 Dispatched Calls: 9,868 (Avg 3,290 per shift each year)
- Medical calls 6,400 / Fire Calls 3,468
- Average Response Time (Dispatch to On Scene) 4 mins 25 seconds
- Fire Station #1 and #4 Renovations Underway
- Accreditation Status – Underway

OBSERVATIONS:

- Research is being considered to explore a potential merger/higher level of collaboration on EMS/medical transportation services.
- New Fire Station Expansions are on the horizon:
 - Station 6 (Eastside Coverage/I-85 Corridor/Future Annexation Growth Areas/Kannapolis Crossing)
 - Station 7 (Western Kannapolis Growth Area/Odell VFD)
- Stand-Alone Fire Training Tower is needed to replace existing training tower located at Station 1 and built in 1996.
- Joint Emergency Services Training Center (Cabarrus, Concord, Kannapolis) is moving forward. Kannapolis' involvement will be decided after the scope of the project is completed.
 - Design Firm Selection Process Underway (April 2022).
 - Will include Fire/Police training classrooms, simulators, indoor firing range(s), K9 training space, commercial & residential burn buildings, multi-story drill tower, driving course, confined space/hazmat training elements.



COMMUNITY SAFETY – POLICE

- Accredited Agency (Since 2000; Only 8% of law enforcement agencies are accredited nationwide)
- 118 Positions: 93 sworn, 25 civilian (avg 1.8 officers per 1,000 residents)
- Top 25 Safest North Carolina City
- 5-year Violent/Property Crimes: 2015 (1,105) vs 2019 (1,266)
- Annual 911 Calls for Service (Police, Fire, Other): 86,412
- Field Operations Bureau: Patrol, Traffic Safety & Enforcement
 - Preventive patrol, response to calls for service, crime investigation, citizen engagement, traffic collision investigation, parking control, funeral escorts, traffic control, traffic safety programs, K9 ops.
- Special Operations Bureau: Community Services, Training, Reserve Officer Program
 - School Resource Officers, Community Watch Programs, DARE, Schedule/Maintain certifications for in-service training, Coordinate BLET for students at local Community Colleges, Manage Auxiliary/Reserve Officers, Supports City Sponsored/Special Event activities, Cops Target Kids Christmas Program, Toys for Tots
- Support Services Bureau: Staff Services, Criminal Investigations
 - Staff Services Division : E-911 System, Telecommunications, Computer Aid Dispatch (CAD), Police Records Management
 - Criminal Investigations Division: Felony Investigations, Vice & Narcotics Unit, Evidence & Property Control
- Western Communications Tower Design – Underway
- Radios/In-Car Cameras/Body Cameras – Replaced in 2021



OBSERVATIONS:

- Sworn vacancies continue to remain high (11 as of April 2022). This is not unique to Kannapolis.
- There is an increasing need for a full-time Recruitment Officer.
- A Park Ranger program may help address vacancies and serve as a training ground for future sworn officers.
- Research is needed regarding a potential future merger of telecommunications/911 functions with Cabarrus County.
- Preliminary design is underway for a Joint Emergency Services Training Center (see previous page – Fire)

COMMUNITY SAFETY - POLICE

North Carolina's Safest Cities

Show entries

NC City	Population	Violent crime	Property crime	Law enforcement employees	Total crimes	Crime rate per 1,000	Violent crimes per 1,000	Property crimes per 1,000	Law enforcement per 1,000
1 Pinehurst	16213	15	111	30	126	7.77	0.93	6.85	1.85
2 Holly Springs	37008	19	267	67	286	7.73	0.51	7.21	1.81
3 Davidson	12954	12	127	22	139	10.73	0.93	9.80	1.70
4 Cary	170518	105	1666	231	1771	10.39	0.62	9.77	1.35
5 Apex	52577	50	663	96	713	13.56	0.95	12.61	1.83
6 Boone	19524	18	289	48	307	15.72	0.92	14.80	2.46
7 Wake Forest	44318	49	653	91	702	15.84	1.11	14.73	2.05
8 Huntersville	57677	74	884	100	958	16.61	1.28	15.33	1.73
9 Leland	21008	27	320	34	347	16.52	1.29	15.23	1.62
10 Southern Pines	14271	33	312	49	345	24.17	2.31	21.86	3.43
11 Concord	94022	93	1679	189	1772	18.85	0.99	17.86	2.01
12 Mount Holly	15940	23	302	37	325	20.39	1.44	18.95	2.32
13 Archdale	11529	27	235	32	262	22.73	2.34	20.38	2.78
14 Clayton	22258	27	417	47	444	19.95	1.21	18.73	2.11
15 Kannapolis	49750	109	968	103	1077	21.65	2.19	19.46	2.07
16 Carrboro	21841	31	407	38	438	20.05	1.42	18.63	1.74
17 Sanford	29483	64	782	102	846	28.69	2.17	26.52	3.46
18 Mooresville	38340	72	1018	108	1090	28.43	1.88	26.55	2.82
19 Lexington	18754	119	489	65	608	32.42	6.35	26.07	3.47
20 Mint Hill	27375	58	471	32	529	19.32	2.12	17.21	1.17



NEIGHBORHOOD STABILITY

- Kannapolis is fortunate to have a wide range of residential neighborhood and housing types. Generally, the City's neighborhoods are well maintained and contribute to the vitality of the community
- However, many of the older residential neighborhoods in the City were developed prior to incorporation and the adoption of development standards. As such, these neighborhoods do not have the same level of improvements or amenities that are present in neighborhoods developed under current development standards. Some of these fragile neighborhoods are no more than 20-years old.
- There is an acute need for retrofitting existing neighborhoods to prevent them from falling into a state of decay and disrepair. This involves partnerships with residents but will require a significant public investment to be effective.
- Manufactured housing has its place in most communities, but only well-maintained MH communities are a positive contributor to the City's well-being. Conversely, older, deteriorating housing of this type has significant negative impacts on the community (lowered or stagnant property values, crime, concentration of poverty, public health concerns, etc.).
- There is a clear need in our City to remove substandard housing (of all types including manufactured homes).



OBSERVATIONS:

- A targeted program to promote the revitalization of the City's older neighborhoods would be beneficial to current residents and serve to make these neighborhoods more attractive to new residents. The revitalization of these neighborhoods will help to ensure that all areas of the City are benefitting from the economic growth that is occurring and will continue to occur in the future.
- In the absence of a concerted effort to revitalize these fragile or transitioning neighborhoods in the City, it is likely that conditions will continue to decline, and these neighborhoods will not attract new residents and the accompanying economic vitality they would bring.
- A potential strategic plan focus group could be charged with developing different strategies.
- Ultimately a complete inventory and inspection of all neighborhoods in the City (including manufactured home parks) would be necessary. From this inventory the strategies from the focus group could be implemented.

HOUSING AFFORDABILITY

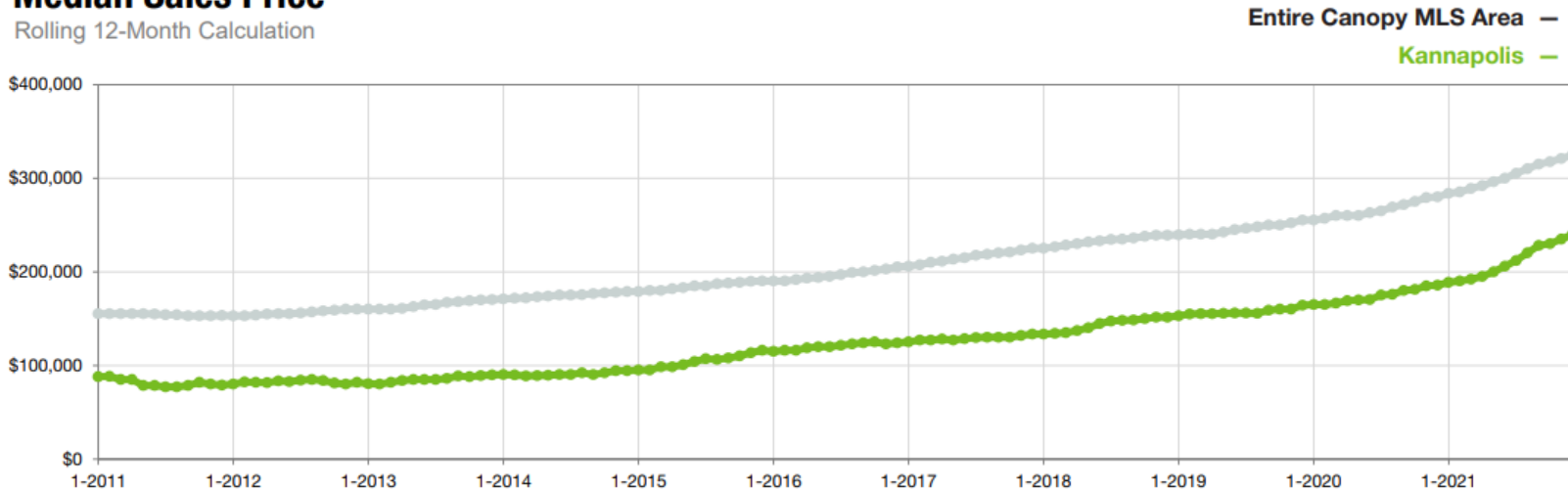
- Kannapolis Median Sales Price = \$250,000 as of Dec 2021*
- +22% increase in one year.
- Avg days on market: 19.
- 99.4% of original list price received.
- 0.6-month supply inventory.

**Likely excludes certain zip codes labeled as other cities (Concord, Davidson), which would increase actual median sales price*



Median Sales Price

Rolling 12-Month Calculation



Current as of January 5, 2022. All data from Canopy MLS, Inc. Report provided by the Canopy Realtor® Association. Report © 2022 ShowingTime.



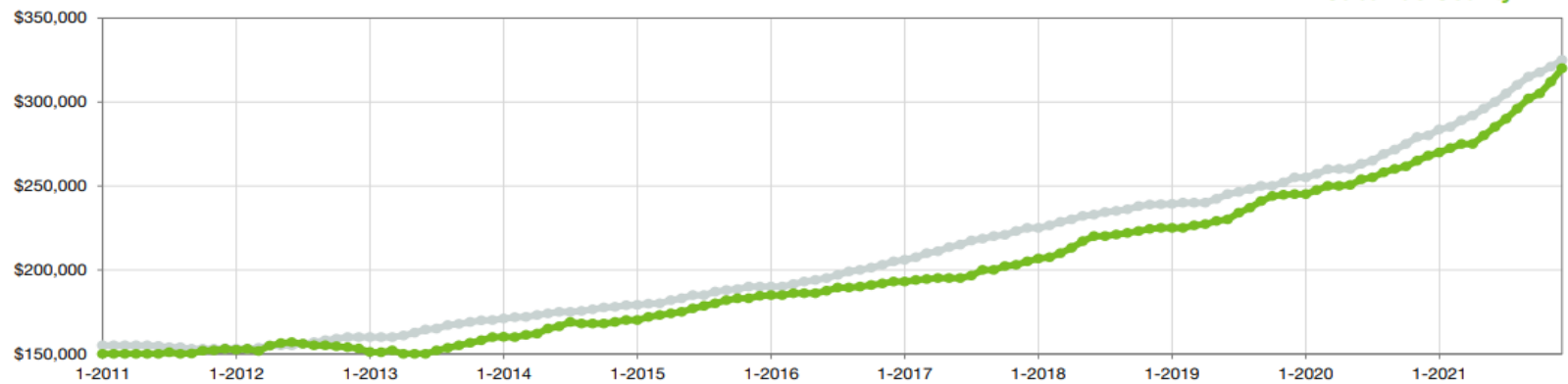
HOUSING AFFORDABILITY

- Cabarrus Median Sales Price \$346,000 as of Dec. 2021
- +20% increase in one year.
- Avg days on market: 15.
- 101.2% of original list price received.
- 0.4-month supply inventory



Median Sales Price

Rolling 12-Month Calculation



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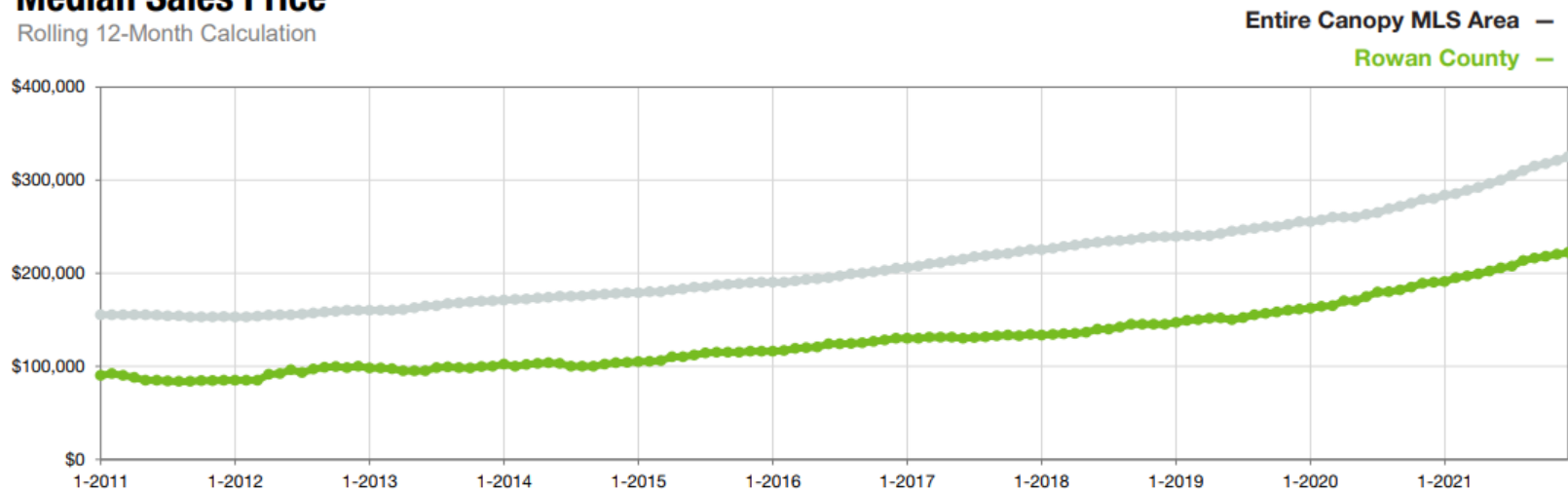
HOUSING AFFORDABILITY

- Rowan Median Sales Price \$228,995 as of Dec. 2021
- +10.5% increase in one year.
- Average days on market: 23
- 98.0% of original list price received.
- 0.7-month supply inventory



Median Sales Price

Rolling 12-Month Calculation



Current as of January 5, 2022. All data from Canopy MLS, Inc. Report provided by the Canopy Realtor® Association. Report © 2022 ShowingTime.

HOUSING AFFORDABILITY

Rental Rates

- Rents are Rising; Unaffordable to Those Earning <80% of Area Median Income (AMI) (Low Income Household).
- HUD defines housing affordability as no more than 30% of household income going towards housing costs (rent, utilities, etc.). Households are considered “cost burdened” if more than 30% of income goes toward housing; severely cost burdened if more than 50% of income goes toward housing.
- 22% increase in median rent for a 2-bedroom unit in the Charlotte MSA, March 2020 to December 2021.



Charlotte-Concord-Gastonia, NC Area (2021)	0-BR	1-BR	2-BR	3-BR	4-BR
Fair Market Rent	\$987	\$1,010	\$1,151	\$1,518	\$1,956
Annual Income Needed to Afford	\$39,480	\$40,400	\$46,040	\$60,720	\$78,240
Hourly Wage Needed to Afford	\$18.98	\$19.42	\$22.13	\$29.19	\$37.62

Charlotte-Concord-Gastonia, NC Area (2021)	Income for 4-person Family	Max Affordable Rent
Low Income (80% AMI)	\$67,350	\$1,684
Very Low Income (50% AMI)	\$42,100	\$1,053
Extremely Low Income (30% AMI)	\$26,500	\$663

HOUSING AFFORDABILITY

Kannapolis Affordable Housing Needs at Different Income Levels

- 4,715 Kannapolis households were cost burdened with housing in 2014-2018 timeframe – this represents affordable housing units needed
- Number has likely grown due to population growth, rising housing costs, and Covid impacts
- 39% of low-income households (earning 50-80% of AMI), 69% of very low-income households (30-50% AMI), and 76% of extremely low-income households (<30% AMI) are cost burdened
- Nearly 2,000 HH (11.4% of total HH) in Kannapolis are extremely low income – they can afford less than \$663/month in housing costs



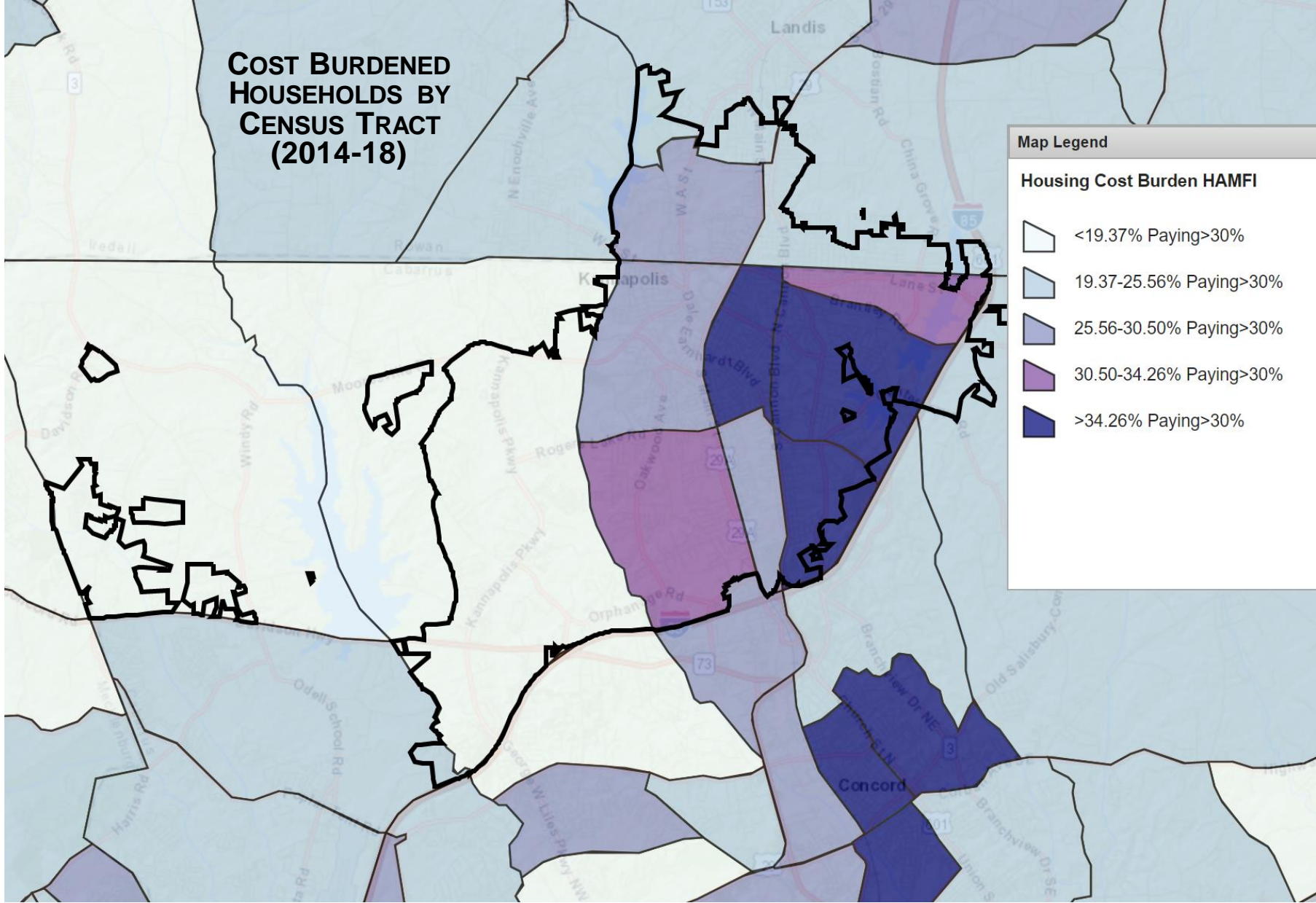
Income by Cost Burden (Owners and Renters) - 2014-2018 Census Data	Cost burden >30%	% of HH >30% burden	Cost burden >50%	% of HH >50% burden	Total	% of Total HH
Household Income <= 30% HAMFI	1,490	76.2%	1,185	60.6%	1,955	11.4%
Household Income >30% to <=50% HAMFI	1,410	69.1%	480	23.5%	2,040	11.9%
Household Income >50% to <=80% HAMFI	1,360	39.2%	210	6.1%	3,470	20.3%
Household Income >80% to <=100% HAMFI	310	11.8%	65	2.5%	2,620	15.3%
Household Income >100% HAMFI	145	2.1%	25	0.4%	7,050	41.1%
Total	4,715	27.5%	1,965	11.5%	17,135	

COST BURDENED HOUSEHOLDS BY CENSUS TRACT (2014-18)

Map Legend

Housing Cost Burden HAMFI

- <19.37% Paying>30%
- 19.37-25.56% Paying>30%
- 25.56-30.50% Paying>30%
- 30.50-34.26% Paying>30%
- >34.26% Paying>30%



HOUSING AFFORDABILITY

Meeting the Housing Need












- Section 8 Housing Vouchers
 - Concord Housing Authority (serves Kannapolis, too): Over 3,000 on wait list for less than 600 vouchers (541 Housing Choice Vouchers, 26 Homeless Vouchers, 12 Veteran Affairs Supportive Housing Vouchers)
 - Rowan Housing Authority (serves Kannapolis, too): 121 applicants on Section 8 waiting list
 - Serves mostly very low-income households (up to 50% AMI)
- Public Housing
 - Concord Housing Authority: About 4,700 on wait list for 174 public housing units in Concord.
 - Rowan Housing Authority: About 95 on waiting list for 194 public housing units, 94 of those within Kannapolis (Running Brook Drive and Locust Street apartments)
 - Serves mostly extremely low to very low-income households (30-50% AMI)
- Tax Credit Apartments
 - As an example, 400 are on wait list at Autumn Crest (Sears St)
 - Most units serve those at 60% or 80% AMI; a few serve those at 30% AMI
 - 527 LIHTC units in Kannapolis; 270 approved for construction

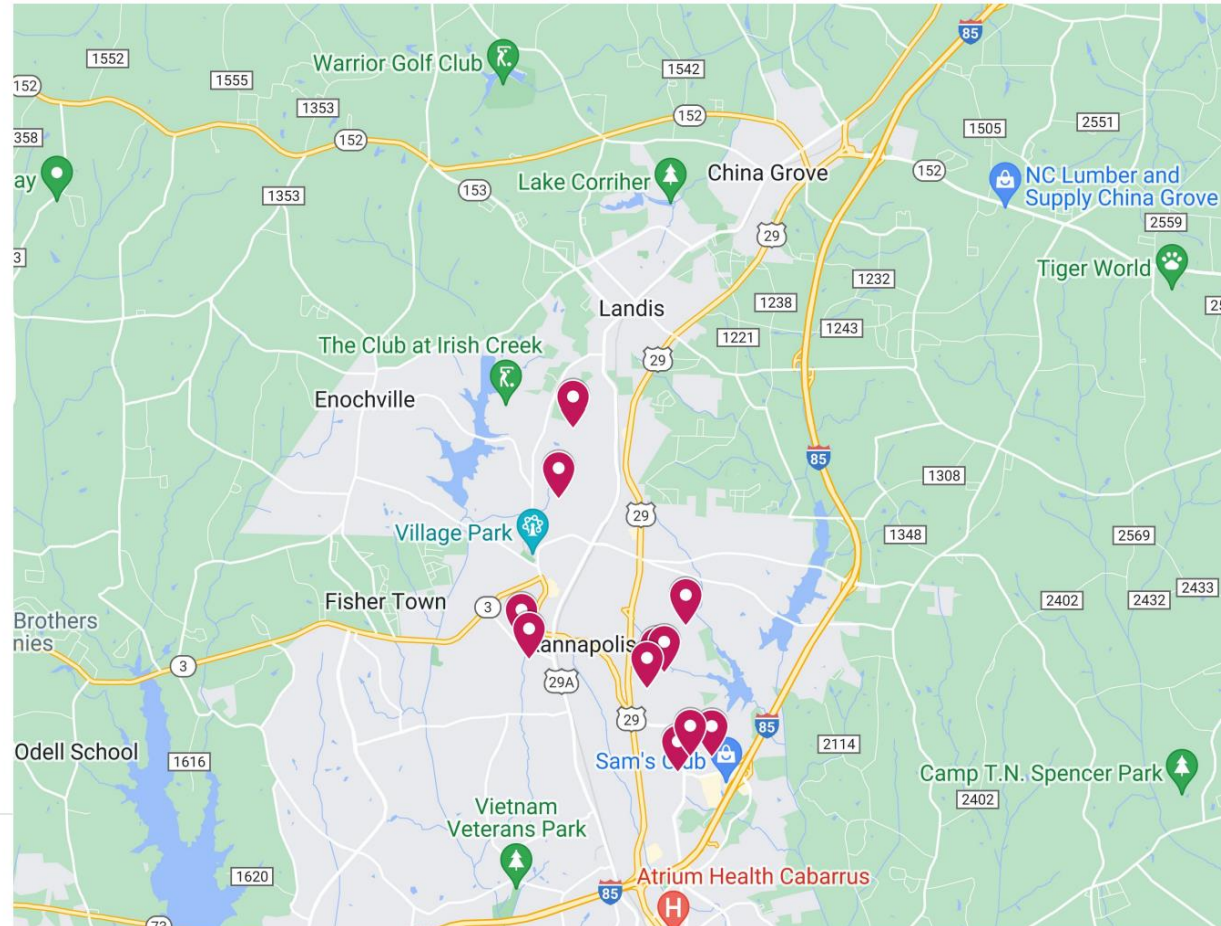


HOUSING AFFORDABILITY

LOW-INCOME APARTMENT PROJECTS IN KANNAPOLIS *

Untitled layer

-  Autumn Crest (87 LIHTC)
-  Forest Park Crossing (56 LIHTC)
-  Villas At Forest Park (64 Senior LIHTC)
-  Prosperity Ridge (60 Senior LIHTC)
-  Cabarrus Arms (76 Section 8)
-  Westgreen (100 Section 8)
-  Oak Crest (100 LIHTC)
-  University Park (100 LIHTC)
-  Coldwater Ridge (60 LIHTC)
-  Locust St (Public Housing)
-  Running Brook Dr (Public Housing)



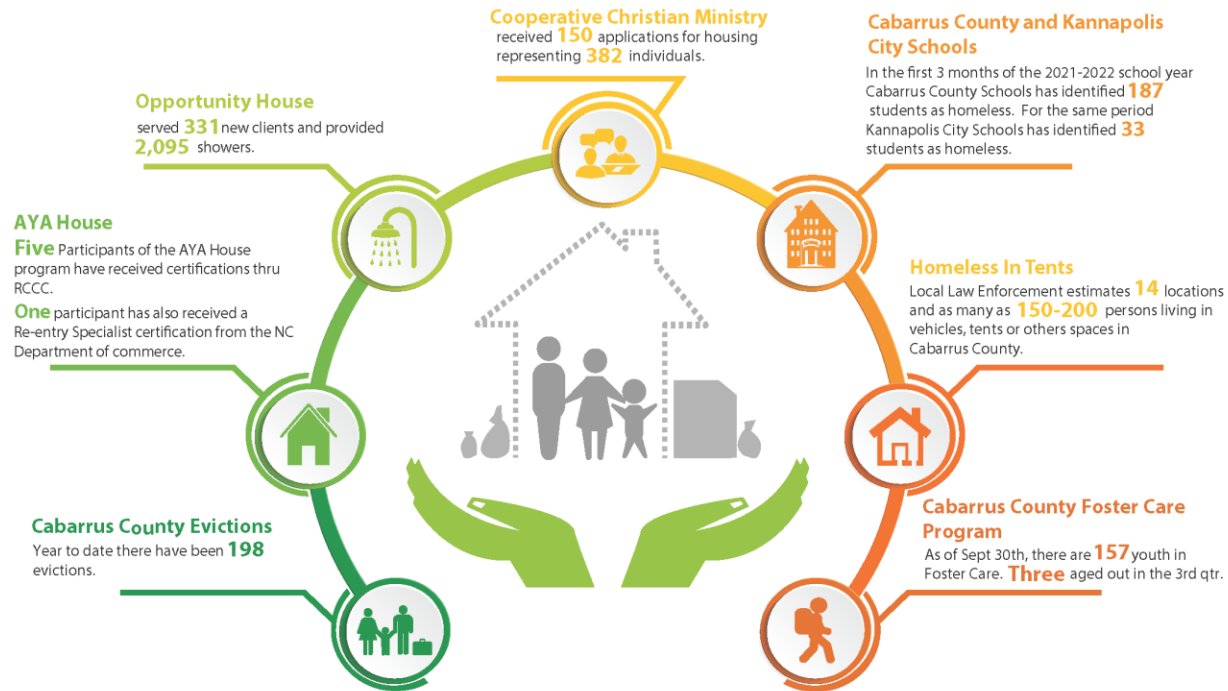
* Generally, 30-80% of area median annual income (between \$25,260 to \$67,360 for a family of four)

HOMELESSNESS AND TRANSITIONAL HOUSING

Cabarrus Homelessness Indicators

January - September 2021

Created by the Cabarrus County Homelessness Task Force

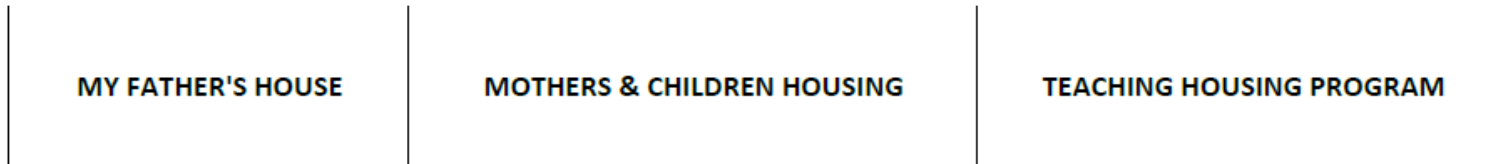


NOTE: The school numbers are unusual due to COVID and remote-learning impacts. In previous years, the school systems have identified about 500 students/year as homeless.

For more information visit www.healthycabarrus.org/priorities/homelessness

HOMELESSNESS AND TRANSITIONAL HOUSING

CCM's Path to Stability Model



COOPERATIVE
CHRISTIAN
MINISTRY

Homelessness & Housing Crisis

Emergency Housing
Food Security

Healthcare Access

Academic Stability

Transitional Housing

Workplace Stability

Credit & Debt Repair

Social Connection

Income Growth

Supportive Housing

Market Access

Affordable Housing

The Path to Affordable Housing...

HOMELESSNESS AND TRANSITIONAL HOUSING

The Cabarrus County Homelessness Task Force put together a white paper on the assessment of emergency housing needs in the county in 2020.

The white paper estimated about 200 to 300 units needed at that time, with the break down by type of population below.

OBSERVATIONS:

- It is likely that the need for emergency and transitional housing has only grown with our population growth and the rapid rise in housing costs.



CABARRUS COUNTY HOMELESSNESS TASK FORCE 5-YEAR PROSPECTUS ON HOUSING NEEDS

Population Needs	Shortfall (beds or units)
Single Family Transitional	80 to 100
Single Adult (supervised)	25 to 35
Family Shelter	15 to 20; 5 to 7 units
Senior Adults (independent)	50 to 100
Young Adults (19 to 21)	10 to 15
Chronically homeless	20 to 30
Emergency and Transitional Housing Total	200 to 300
Workforce Housing (Affordable Housing)	1,000 to 2,000

(Based on 2020 estimates)

HOMELESSNESS AND TRANSITIONAL HOUSING

Potential Major Transitional Housing Projects.

- Salvation Army Center of Hope Emergency Shelter. 16,000 square foot building. Will increase beds available from 28 to 64 in Concord
- CCM – Huddle Housing. Transitional housing for extremely low-income individuals. 15-17 units around a community building off Pine St/Tiffany Drive.
- CCM – Homeless to Housing (H2H). Transitional housing for homeless. Serve 48-50 households; identifying potential sites.

Housing Initiatives

- The Cabarrus County Homelessness Task Force is a group of agencies and service providers that have been meeting for several years to share information, raise awareness, and make referrals for individuals and families facing a housing crisis.
- The Cabarrus County Housing Collaborative was formed in 2021 as a group of public, private, and non-profit partners that are working towards a plan to address housing needs across the spectrum from homelessness to affordable housing.
- WeBuild Concord (formerly the Concord Family Enrichment Association) was established by the City of Concord in 2021 as a nonprofit to focus on the development of affordable housing, typically targeted to those at 80% of AMI. Concord committed 1 cent of the tax rate to fund the effort, or about \$1.4 million each year. As an independent nonprofit, the group also received ARP funds from Cabarrus County to build affordable housing in the county, which is not limited to Concord and could occur in Kannapolis with the appropriate project.

OBSERVATIONS:

- Housing solutions are needed for: homelessness/emergency shelter, transitional housing, supportive housing (those needing specific services). There are no “affordable” solutions for these categories.



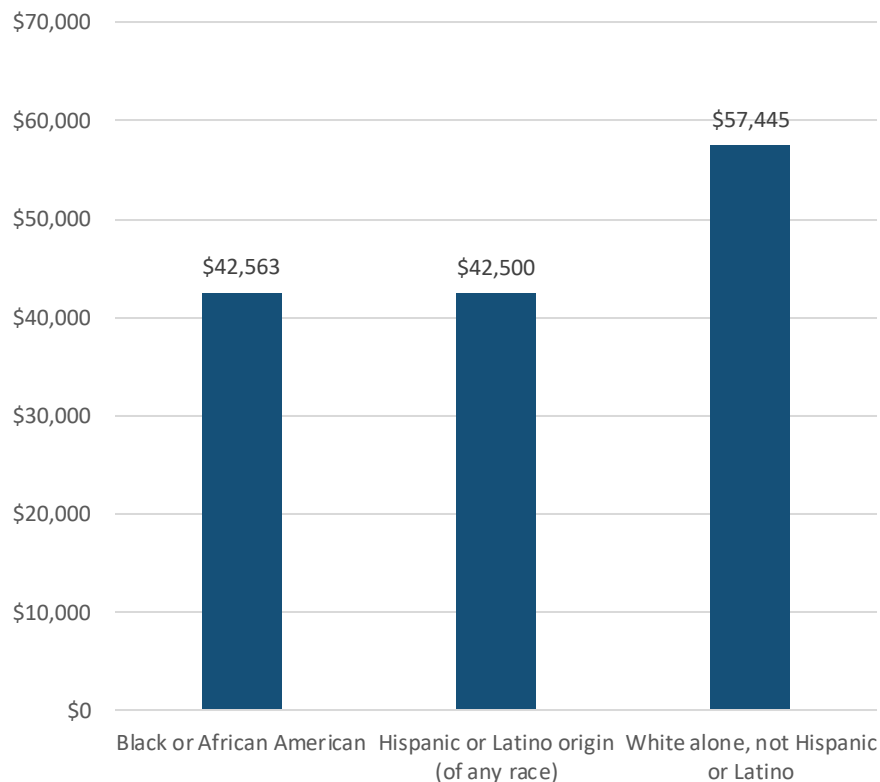
EQUITY & RACIAL DISPARITIES

Racial Disparities in Income

- White household median income in Kannapolis is 35% higher than African-American and Hispanic income.



Median Income by Race/Ethnicity

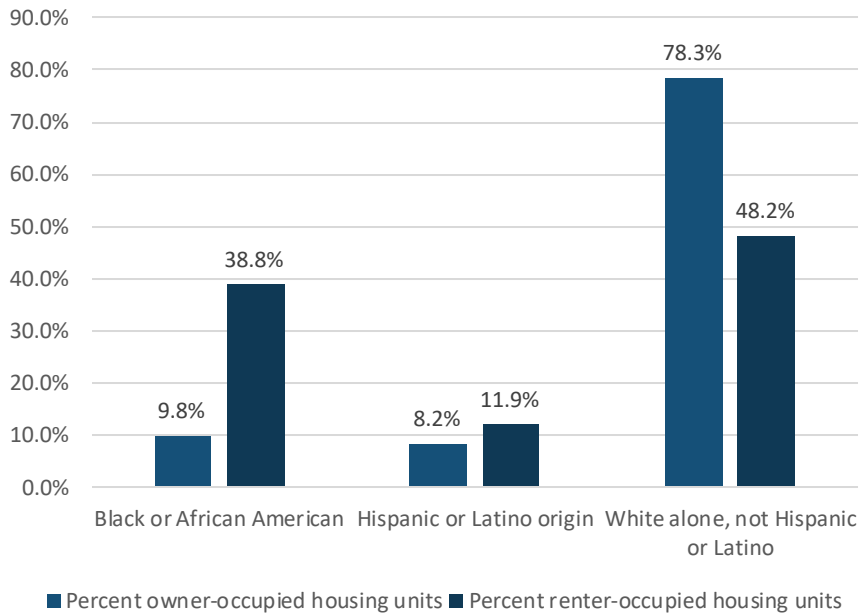


EQUITY & RACIAL DISPARITIES

Racial Disparities in Housing

- Black residents make up 22% of Kannapolis population but occupy 39% of rental housing units and only 10% of owned units
- Hispanic residents make up 16% of Kannapolis population and occupy 12% of rental housing and only 8% of owned units
- Home ownership = wealth building opportunity

Percent of Owner-Occupied & Renter-Occupied Housing Units by Race/Ethnicity



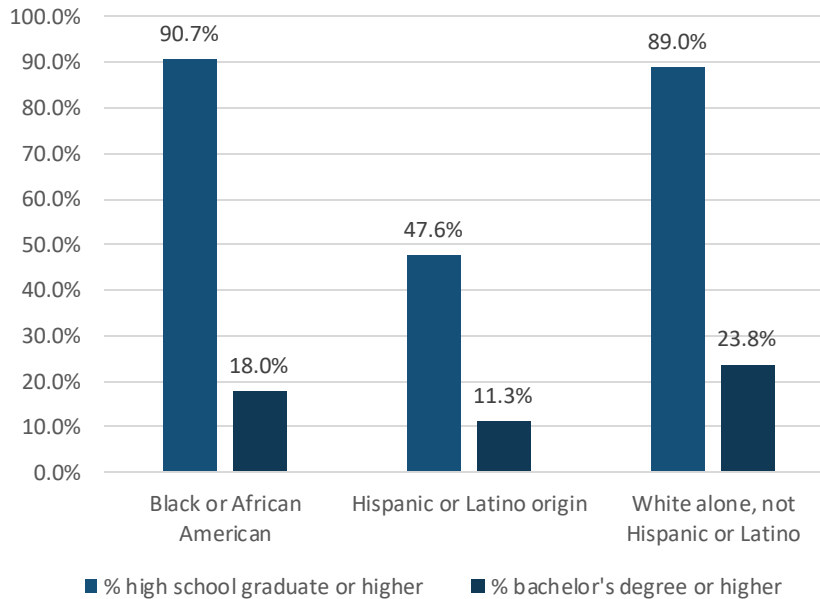
EQUITY & RACIAL DISPARITIES

Racial Disparities in Educational Attainment

- Hispanic residents lag in high school and bachelor degree completion rates
- Black residents lag in bachelor degree completion rates
- Educational attainment leads to higher incomes
- Racial disparities are evident at K-12 levels as well



Kannapolis Educational Attainment by Race/Ethnicity



EQUITY & RACIAL DISPARITIES

Racial Disparities in Health


2021 Cabarrus County State of the County Health Report

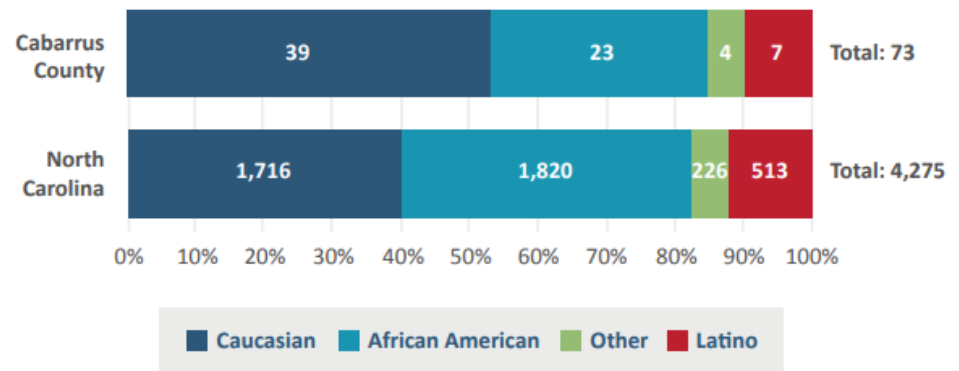
2015-2019 NC Resident Race/Ethnicity and Sex-Specific Age-Adjusted Death Rate Disparities

- African Americans, both males and females, have higher rates of death associated with Disease of the Heart and two-times higher rate for nephritis/nephrosis (kidney disease)
- African American females consistently have the highest rates of death caused for Breast Cancer and three-times higher rate for Diabetes
- Females, both African American and White, have a much higher rate of Alzheimer's disease than their male counterparts



It is important to recognize the evident disparities in the infant mortality rate for both Cabarrus County and North Carolina births. Minority community members make up roughly 37% of Cabarrus' population, but nearly 47% of infants deaths. White residents make up just over 63% of the population, but only 50% of infant deaths.

Figure 27: Racial Disparities in Infant Mortality or Death 



EQUITY & RACIAL DISPARITIES

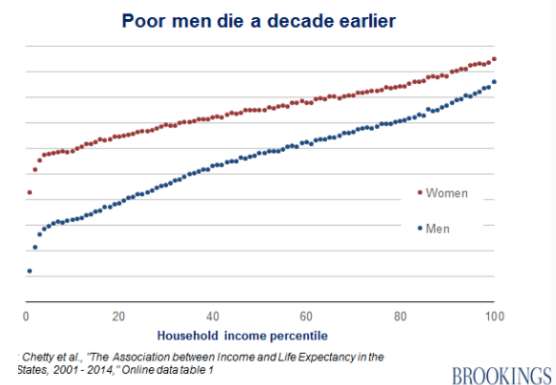
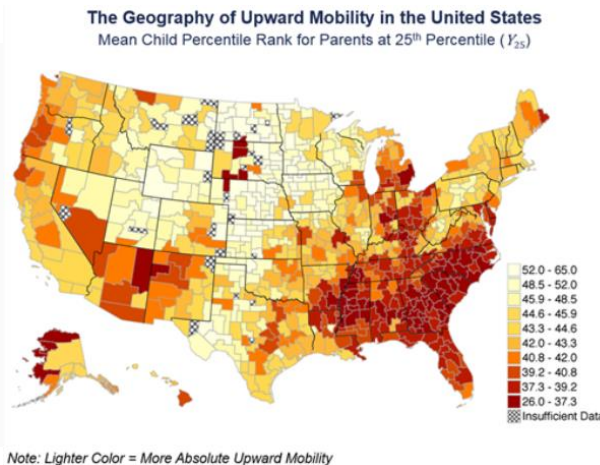
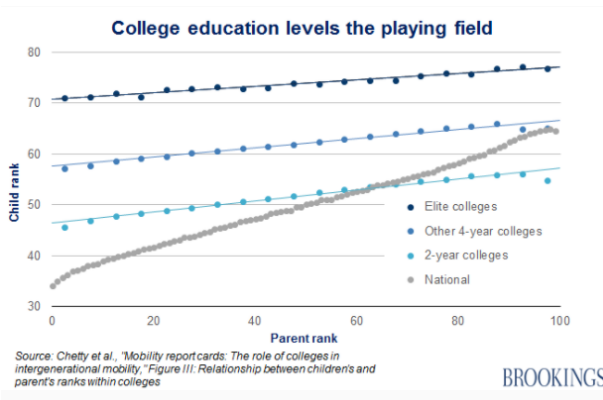
Lack of Economic Mobility

- Charlotte metro area ranked 50 out of 50 for economic mobility
 - If you were born poor, you're likely to remain poor as an adult
 - (Chetty "Land of Opportunity" study, 2014)
- College education levels the playing field
 - Reduces link between parents' income and children's income as adults
 - (Chetty "Mobility report cards" study)
- Poor men die a decade earlier
 - (Chetty "Association between Income and Life Expectancy" study)

[Raj Chetty in 14 charts: Big findings on opportunity and mobility we should all know \(brookings.edu\)](#)

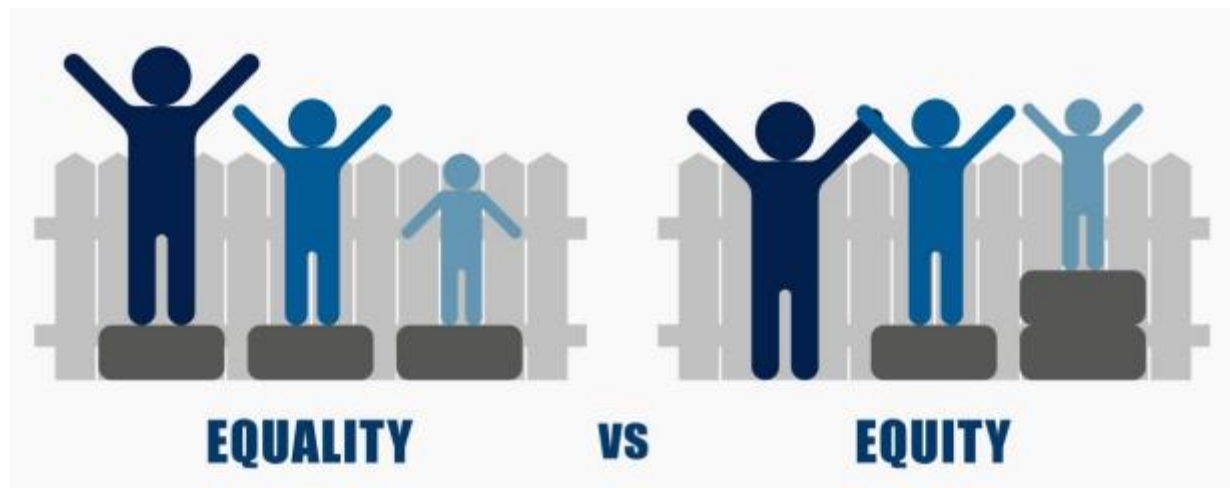
- Post covid impacts – increase in economic disparities for minority groups

<https://charlotteregion.com/blog/2022/03/03/research-data/equity-and-inclusion-in-the-charlotte-region-economic-disparities-and-gaps-widen/>



EQUITY & RACIAL DISPARITIES

- In 2020, the Cabarrus Health Alliance declared racism a public health crisis. An emerging body of evidence demonstrates that racism is a social determinant of health, or a condition in the environment that affects an individual's health outcomes.
- In 2021, the Cabarrus Health Alliance issued a Health Equity Report, which examined health disparities and looked at ways to achieve health equity, which is the fair and just opportunity for all people to have accessible health care and achieve overall positive health outcomes.
- The recommendations and solutions in the report are specific to public health outcomes. Where Kannapolis can play a part is in focusing on infrastructure (sidewalks, parks) to serve schools and low-income areas where minority populations are higher, supporting the expansion of public transportation, and supporting health food access (ex: community gardens, mobile food pantries).



ECONOMIC MOBILITY

After being identified as *last* among the nation's 50 largest metro areas in economic mobility, Charlotte leaders formed the Charlotte-Mecklenburg Opportunity Task Force, which spent 18 months developing a report called *Leading on Opportunity*.

The report identifies three determinants that are most likely to have an impact on economic mobility for an individual:

- Early Childcare and Education.
- College and Career Readiness.
- Child and Family Stability (issues related to family structure, financial security, affordable housing, public transportation, mental health, involvement in the criminal justice system, and accessing community services and support).

The report also identified two factors that cut across all three determinants:

Impact of Segregation (which refers to the physical separation of households of different wealth, poverty, and race).

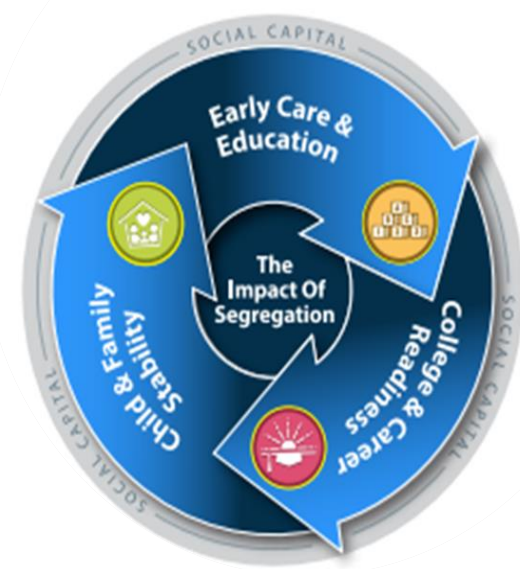
- Social Capital (which refers to the relationships and networks people have that can connect them to opportunities).

The full report can be found here:

<https://www.leadingonopportunity.org/report/introduction>

OBSERVATION:

While the above-described Opportunity Task Force and report are Mecklenburg-centric, the issues are relevant throughout the region, including in Kannapolis, and the task force's recommendations can serve as a resource should Kannapolis leaders choose to prioritize economic mobility with this approach.

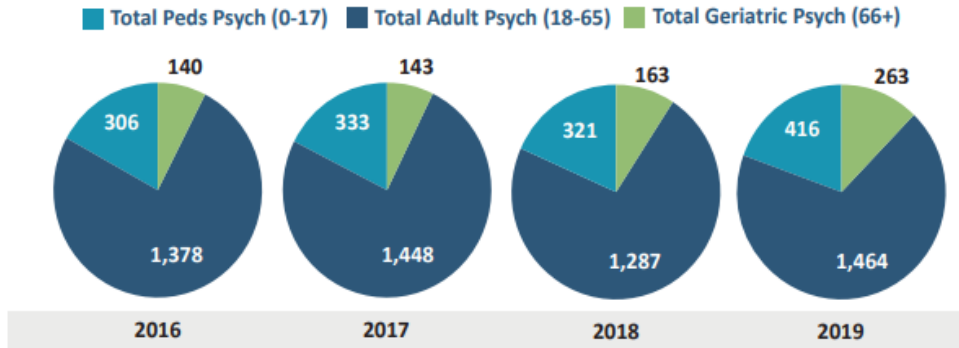


MENTAL HEALTH & SUBSTANCE ABUSE

There is a significant need in the community for improved mental health services.



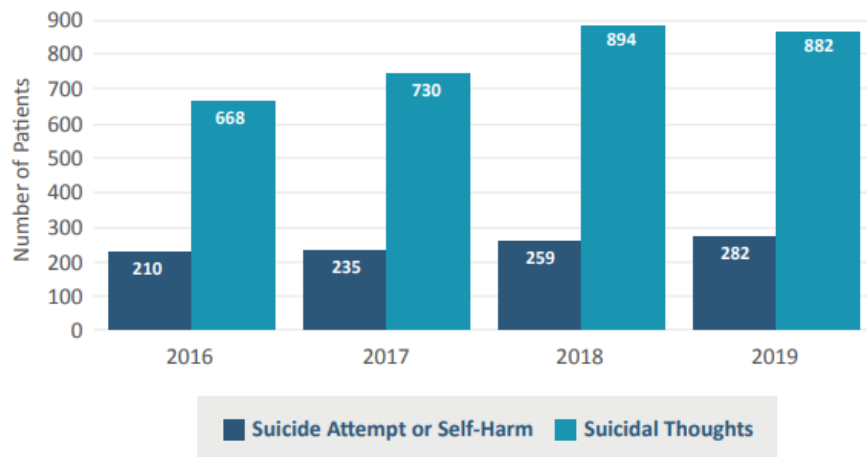
Figure 58: Atrium Health Cabarrus Emergency Department – Behavioral Health Patients



Suicide

Cabarrus County Suicide Death Rate (2014-2018) 12.4 deaths per 100,000 population.

Figure 60: Atrium Health Cabarrus – Emergency Department Suicide Data



MENTAL HEALTH & SUBSTANCE ABUSE

Cabarrus County Mental Health Advisory Board/Task Force

Cabarrus County is a designated Health Professional Shortage Area in mental healthcare. For the last nine years, access to mental healthcare has been identified as a priority need in the Cabarrus County Community Needs Assessment. In 2017, the Cabarrus County Commissioners established the Cabarrus County Mental Health Advisory Board, a formal county board, to oversee efforts and advocate for improved access to mental health services.

Indicators:

- Self-harm incidents
- # of Emergency Dept behavioral health patients
- # of EMS response calls for behavioral health/psychiatric episodes
- # of behavioral health facilities

Initiatives:

- Crisis Intervention Team Training (law enforcement as first responders)
- Stepping Up Initiative (Dept of Human Services screen incarcerated persons for mental health or substance abuse & referral)
- CHA Behavioral Health Services
- Cabarrus County First Responder Collaborative Crisis Assistance Program (provide inmates with mental health provider)
- Peer Bridger Program (support ERs & jail with peer support services)

Projects in Development:

- NC Legislature allocated \$30M to Cabarrus County for regional behavioral health crisis service center
 - Will include behavioral health urgent care, facilities for adults and youth
- CHA expansion of LCSWs for uninsured, low-to-moderate income
 - Hired 3 additional social workers



INDIVIDUALS WITH DISABILITIES

- An estimated 12% of Kannapolis residents have a disability.
- The largest population of individuals with disabilities is senior citizens, age 65 and over, with 23% of 65-74 year-olds with a disability and 40% of 75 year-olds and older with a disability.
- The proportion of school-aged children age 5-17 with a disability as well as adults aged 18-34 has ticked up to 8% of all 5-17 year-olds and 9% of all 18-34 year-olds, compared to 2012.

OBSERVATIONS:

- With an aging Baby Boomer population as well as a sizable proportion of senior citizens with a disability, we need to be cognizant of designing our roads, neighborhoods, and other public and private infrastructure to be accommodating of individuals with disabilities. At the same time, the increase in school-aged children with disabilities points to the need for parks, sports, and other youth-oriented programs and amenities to be inclusive.
- Disabilities can include non-visible ones, such as deafness, blindness, cognitive impairments, autism, chronic illnesses like multiple sclerosis, anxiety, depression, PTSD, and more. Awareness of and the ability to design our programs and infrastructure to be inclusive of their needs is important to their ability to function on a day-to-day basis.



	2012 (estimate)		2020 (estimate)	
	Estimate	Percent of population or age group	Estimate	Percent of population or age group
Kannapolis Disabled Individuals				
Total population with a disability	5,387	13%	5,913	12%
Males with a disability	2,524	12%	2,900	12%
Females with a disability	2,863	13%	3,013	12%
Under 5 years with a disability	0	0%	4	0%
5 to 17 years with a disability	487	6%	782	8%
18 to 34 years with a disability	556	6%	990	9%
35 to 64 years with a disability	2,383	15%	2,099	12%
65 to 74 years with a disability	884	32%	1,071	23%
75 years and over with a disability	1,077	50%	967	40%

DISCOVER A HEALTHY LIFE BRAND

As part of the City's plan for revitalization a strategic branding plan was initiated.

Internal and external stakeholders identified Kannapolis as a place where health was important. They were optimistic for the future of the NCRC and the great scientific work that was being accomplished. They also stressed Kannapolis was a place where you could live, work and play in a healthy environment. They identified the City as a place where you can lead a healthy social, mental and spiritual life.

Thus, our brand – Discover a Healthy Life was born. We have worked hard to promote this brand. We wanted to create more than a just a city or a downtown –but to create a destination or placemaking as it is known.

A robust promotional and marketing communications plan has been in place since 2015 to advance the brand. Utilizing wayfinding, signage, print and social media, advertising, web and many other communication vehicles the City works to create buzz for its initiatives and accomplishments.

Specific campaigns have been launched to focus on economic development and the recruitment of companies, industries and entrepreneurs to the City.

Branding will be a continuous initiative as we compete in the region and state for economic development projects, workforce and even City employees.



PHYSICAL ACTIVITY

The City has worked closely with many partners to advance the importance of the Discover a Healthy Life brand and physical and mental health.

A grant was secured from the Cabarrus Health Alliance to launch the *Loop the Loop Program*. Walking, biking and running trails were created around the downtown and at each Kannapolis City School. Creative sidewalk markers and signage is conveniently located throughout the loops to help publicize and aid participants.

The West Avenue District is one large urban park and a loop goes around it and the ballpark. People earn prizes for every mile they (and their dog) walk throughout the year.

We teamed up with Atrium Health for the *5K Run Series*. Eight runs are hosted by non-profits who receive the proceeds for their organizations and the City provides the timing company, medals and staff to conduct them. There is a free Couch to 5K Program that helps people prepare for the runs. One-mile walks are also offered as part of this series.

We have also co-hosted *Cooking for a Healthy Life* and *Appetite for Life* events to encourage better eating habits. Hundreds of people participate in these healthy endeavors.

Other important health related projects for our citizens include investing in a new greenway (Irish Buffalo Creek which opened last year). The ballpark has a playground and splash pad for children to use every day and during ballgames, new playground equipment was recently installed at another park, improved tennis courts, and more.

Internally, all these initiatives are open to our employees. We now offer free memberships to the YMCA, free gym facilities in city workplaces, access to a dietician, a free employee health clinic and many other health related services in order to have a healthy workforce.

We are constantly looking for more ways to improve the health of our staff, residents and visitors.



ACTIVE YOUTH

The City of Kannapolis Recreation Department offers year-round organized sports for youths aged 3-15. These programs have only been in existence for two years and have been extremely well received in the community. To facilitate these programs, the City relies on its three parks, as well as a contractual arrangement with the Kannapolis City Schools to use six of their facilities.

Athletics Offered:

- Youth Flag Football (co-ed ages 5-15) has grown from 158 participants to 210 in 2021.
- Youth Basketball (co-ed and gender specific, ages 3-15) has grown from 332 participants to 588 in 2021 / 2022.
- Youth Baseball / Softball (co-ed and gender specific, ages 5-15) has 286 kids in its initial year of 2022.
- Youth Soccer (co-ed ages 3-15) has grown from 344 participants to 642 in 2022.
- This City of Kannapolis is rapidly reaching its field capacity for outdoor rectangular sports and is seeking opportunities to expand its gymnasium capacity for basketball programs.
- The City has acquired 45 acres near Hwy 73 that will serve primarily as an organized athletics complex.



OBSERVATIONS:

- As the programs grow the City will need to address indoor/outdoor facility needs. Is there room for more school facility use agreements?
- Increase in staff/volunteer coaches/referees will be needed.

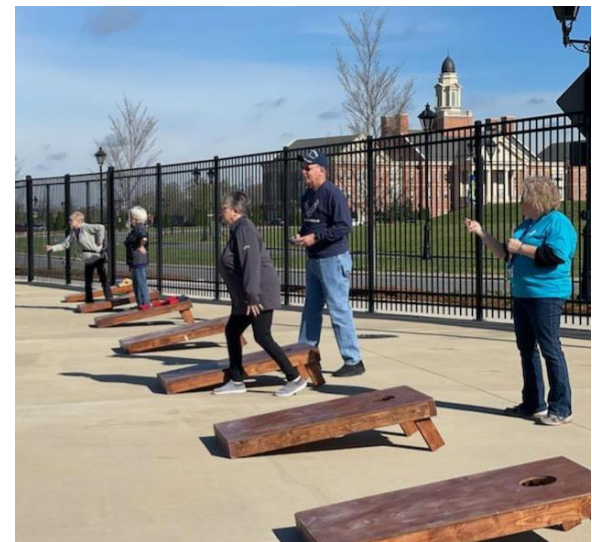


ACTIVE SENIORS

- There are currently 5.2 miles of greenways in Kannapolis (Irish Buffalo Creek, Rocky River, and Afton Run greenways) There are over nine more miles of greenways planned.
- The "Loop the Loop" program offers residents six different paths ranging from 1/8 of a mile to 3 miles where they can walk, run, or ride a bicycle around the downtown area.
- The YMCA is a membership-based community center that offers indoor recreational space and gathering space for seniors.
- Cabarrus County is planning to construct a new Senior Center in the Afton Ridge area of Kannapolis. Plans are for the Senior Center to share approximately 40,000 square feet with a public library. Currently, there is no definitive time-frame for construction.
- Our recreation department facilitated 36 senior trips in 2021 with a maximum capacity of 25 individuals for each trip. There is a waiting list for each trip.
- The City of Kannapolis is a partner with the Carolina Thread trail; a regional network of connected greenways, trails, and blue ways that reaches 15 Counties, 2 States, and almost 3 million people. However, a challenge for the City's greenway system is a lack of connectivity with neighboring greenways.

OBSERVATIONS:

- As the City's population continues to age and active seniors seek more low impact activities will the City need more opportunities such as pickleball, increase day trips capacities?



EDUCATION

K-12 Education

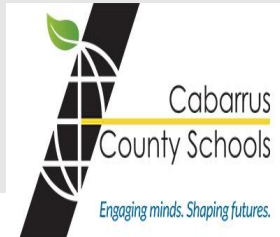
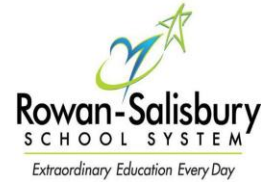
- Students residing in the City of Kannapolis are served by three public school systems: Kannapolis City, Cabarrus County, and Rowan-Salisbury. Students attend the following public schools:
 - 5 High Schools: A.L. Brown (central parts of the City), Northwest Cabarrus (western parts of the City), Concord (South-Central part of the City and east of I-85), South Rowan (northern parts of the City). and Carson (future City residents at Kannapolis Crossing).
 - 5 Middle Schools: Kannapolis. Northwest Cabarrus, Concord, Corriher-Lipe and China Grove (future City residents at Kannapolis Crossing)
 - 12 Elementary Schools: Forest Park, Fred L. Wilson, North Kannapolis, G.W. Carver, Jackson Park, Shady Brook, Royal Oaks, Winecoff, Charles E. Boger, WR Odell, Landis, and Bostian (future City residents at Kannapolis Crossing).
 - Additional schools located in the City: McKnight Child Development Center, Christ the King High School, Kannapolis Charter Academy, North Kannapolis Christian Academy.
- With increased competition from charter schools, the school systems have begun to offer magnet programs and academies to allow students to specialize in certain focus areas. The development of these programs is an important selling point for economic development.
- Cabarrus County Schools offers magnet programs for STEM (science, technology, engineering & math), International Baccalaureate, language immersion, and the arts. It also offers industry-focused academies at the high school level in health sciences, architecture & construction, information technology, engineering & automation, aviation & aerospace, financial technology, and public safety. In addition, CCS has partnered with RCCC to offer two early college programs where high school students can graduate with an associate degree of arts or science.
- A new Early College program to begin in 2022 will be a partnership with Cabarrus College of Health Sciences where Cabarrus County high school students can graduate with coursework that will count towards various healthcare career tracks.



EDUCATION

The City of Kannapolis is located within a 50-mile radius of many Colleges and Universities, including:

- University of North Carolina at Charlotte
- Cabarrus College of Health Sciences
- Catawba College
- Davidson College
- Livingstone College
- Johnson & Wales University
- Johnson C. Smith University
- Pfeiffer University
- Queens University



HEALTH & WELLNESS

Healthcare

- Atrium Health Kannapolis
 - Atrium Health Kannapolis (previously Carolinas HealthCare System Kannapolis) is a 26,000 sq. ft. emergency department facility.
 - Provides a 24-hour emergency care center, full-service imaging center with CT scanner and ultrasound, observation beds, laboratory services, and outpatient services.
 - The facility is backed by Atrium-Charlotte, the region's only Level I Trauma Center.
- Atrium Health Cabarrus:
 - 457-bed facility located on a 6-acre campus in Concord, less than one mile from the City.
 - Home of the Jeff Gordon Children's Hospital
- More than 4,200 employees provide a full range of services, including: outpatient surgery, x-rays, laboratory, emergencies, a pharmacy, and nationally recognizable centers for the treatment of heart disease and cancer.
- Atrium Health is one of the leading healthcare organizations in the Southeast and one of the largest public, not-for-profit systems in the nation.
- Other facilities located within a 30-minute drive of the City include:
 - Atrium - University
 - Carolinas Cabarrus Family Medicine
 - Rowan Regional Medical Center
 - Atrium is planning the new Innovation District/Medical School in Charlotte



NON-PROFITS AND PHILANTHROPY

Partnerships are critically important to achieve most community-oriented goals. Kannapolis is fortunate to have a long list of non-profit partners and potential partners with whom to pursue common strategies. A non-exhaustive list follows:

- Academic Learning Center
- American Red Cross Cabarrus County
- Atrium Health
- Big Brothers Big Sisters of Greater Charlotte
- Boys & Girls Club of Cabarrus County
- Cabarrus County
- Cabarrus Health Alliance
- Cabarrus Arts Council
- Cabarrus Convention & Visitors Bureau
- Cabarrus Health Alliance
- Cabarrus Literacy Council
- Cabarrus Meals on Wheels
- Cabarrus Regional Chamber of Commerce
- Cabarrus Rotary Club
- Cabarrus Rowan YMCA
- Cabarrus Victims Assistance Network (CVAN)
- Coltrane L.I.F.E. Center
- Cooperative Christian Ministry
- Habitat for Humanity – Cabarrus
- Kannapolis Education Foundation
- Kannapolis Rotary Club
- Lifespan
- Meals on Wheels of Rowan
- NC Music Hall of Fame
- NCRC Partners
- Prosperity Community Connection
- Prosperity Unlimited, Inc.
- Rowan County
- Rowan County Chamber of Commerce
- Rowan Convention & Visitors Bureau
- Rowan Helping Ministries
- Special Olympics Cabarrus County
- The Salvation Army
- The Serenity House, Inc.
- United Way – Cabarrus

There are also numerous foundations of which the City has developed (or potentially will develop) a working relationship with:

- Cannon Foundation
- Mike Curb Family Foundation
- Atrium Health Foundation
- Kannapolis Education Foundation
- Cabarrus County Education Foundation
- Duke Energy Foundation
- Foundation for the Carolinas
- Belk Foundation
- Leon Levine Foundation
- Golden Leaf Foundation

OBSERVATION:

This page does not include an exhaustive list of potential partners. As this strategic planning process moves forward a look towards non-profit partners in achieving the desired outcomes will be critically important.



THE
CANNON
FOUNDATION

CURRENT NON-PROFIT ACTIVITIES

- The Cabarrus Health Alliance's 2020 Community Needs Assessment identified Housing, Mental & Behavioral Health, & Early Childhood Education & Development as the top three priority needs
- Cabarrus Chamber has made workforce development a top priority of its advocacy agenda, with a focus on Housing, Childcare/Early Childhood Education; and Transportation
- Atrium Health has made Housing, Food Security, and Employment the focus areas for its social impact strategy
- Cabarrus County has established groups to work on affordable housing, early childhood education, and mental health.
- Rowan County Chamber of Commerce and Economic Development Corporation have also made workforce development a top priority.

OBSERVATIONS:

- There is some level of community-wide interest and momentum on the issues of mental health, early childhood education, workforce development and housing. To what extent and what kind of role does Kannapolis seek to have in addressing these issues in our City and the region?



H. HOW ARE WE DOING?

City Government

Our City government in Kannapolis oversees the efficient provision of a full slate of services to its residential and corporate citizens. Kannapolis operates in a council-manager system with a professional management team guiding the service delivery to the City as well as making a wide range of recommendations to the Mayor and six City Council members elected at-large by the residential citizenry to set policy and provide visionary direction as to the future of the City.

Like most organizations, the City government in Kannapolis does many things well but there are always opportunities for improvement.



ELECTED LEADERSHIP

Kannapolis City Council

The City of Kannapolis is a Council-Manager form of municipal government. Kannapolis is governed by a Mayor and a City Council, consisting of six members who are elected to four-year terms. Each November, Council elects one of its members to serve as Mayor Pro tem for one year. The Mayor and Mayor Pro tem have the same powers as the other members of Council and vote upon all issues. The Mayor serves as the spokesperson for the Council and is authorized to execute legal documents on behalf of the City.

Current City Councilmembers include:

- Mayor Darrell Hinnant
- Mayor Pro Tem Ryan Dayvault
- Councilmember Dianne Berry
- Councilmember Jeanne Dixon
- Councilmember Darrell Jackson
- Councilmember Tom Kincaid
- Councilmember Doug Wilson

Cabarrus and Rowan County Boards of Commissioners

Both counties consist of five member boards elected at-large by all county residents. Its chairperson is selected by the full elected boards. Kannapolis has numerous agreements with both counties in regard to economic development and service delivery.

<https://www.cabarruscounty.us/Government/Departments/Board-of-Commissioners>

<https://www.rowancountync.gov/726/Commissioners-Staff>



North Carolina General Assembly Representation

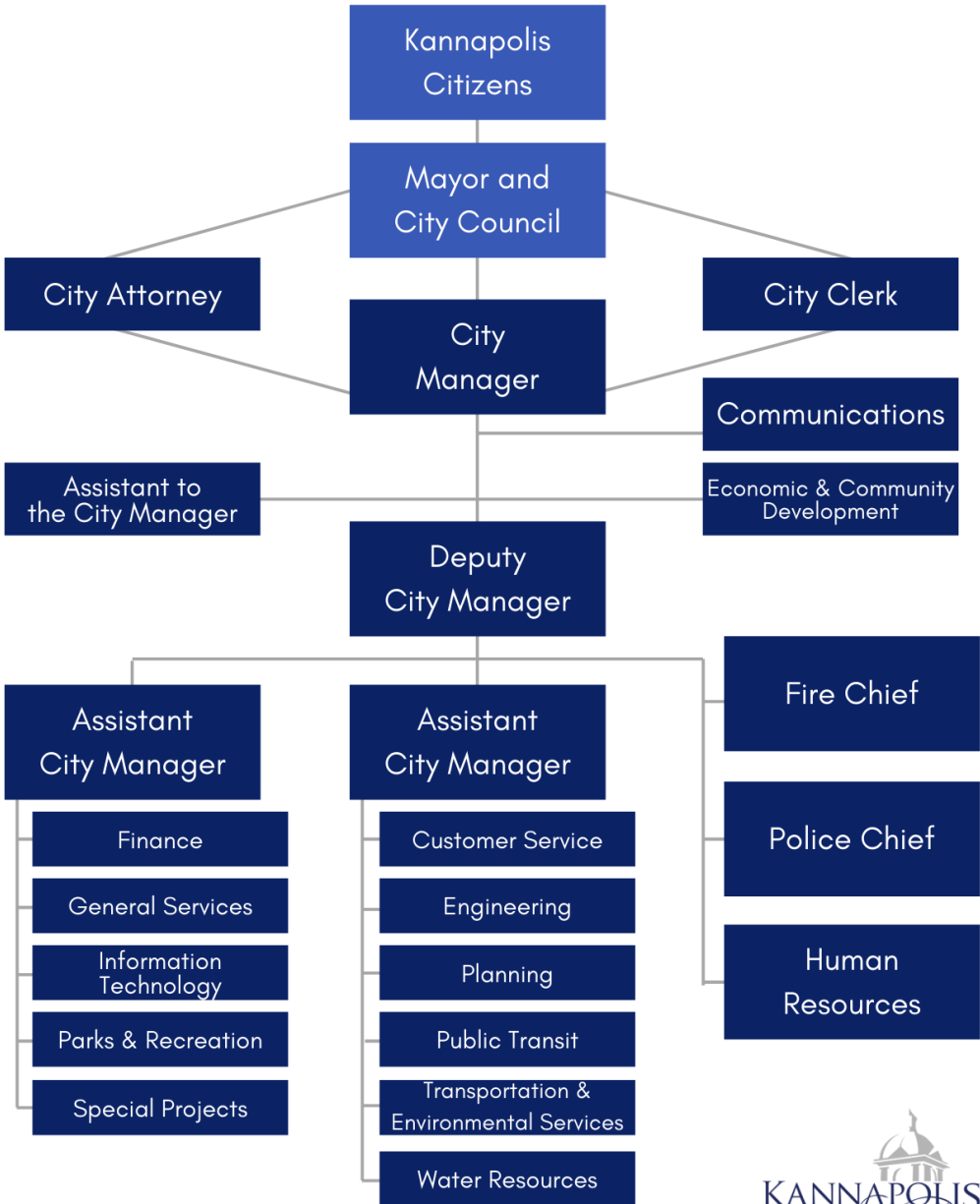
Kannapolis' is currently represented in Raleigh by State Senators Paul Newton and Carl Ford and State Representatives Kristin Baker and Julie Howard. Larry Pittman, Wayne Sasser and Harry Warren serve the balance of Rowan and Cabarrus counties. With the final State redistricting maps, after the November 2022 election, Kannapolis will be served by reconfigured Senate districts 33 and 34 and reconfigured House districts 82 and 83.

United States Congressional Representation

Kannapolis and all North Carolinians are currently served by two Senators, Richard Burr and Thom Tillis. Senator Burr is retiring, and a new Senator will be elected in November 2022.

Kannapolis is also currently served by the 8th NC Congressional District, a seat currently held by Richard Hudson (who is running in the 9th District in 2022 of which Kannapolis will not be part of). With the redistricting process, after November 2022, Kannapolis will be served by a reconfigured 12th NC Congressional District (a seat currently held by Alma Adams) and a reconfigured 8th District (with numerous candidates running).

CITY ORGANIZATION



CITY GOVERNMENT SERVICE DELIVERY

A recent reorganization resulted in the City Manager's office overseeing 15 different departmental functions:

- Communications
- Customer Service
- Economic Development
- Engineering
- Finance
- Fire
- General Services
- Human Resources
- Information Technology
- Legal
- Parks and Recreation
- Police
- Planning and Zoning
- Transportation and Environmental Services
- Water Resources

Public Transit is provided through the Concord-Kannapolis Transit Commission of which Kannapolis has two permanent board members and is chaired by the Kannapolis Mayor every other year.

Wastewater Treatment services are provided by the Water and Sewer Authority of Cabarrus County (WSACC) of which the City has two board members.

The City contracts with Cabarrus County for building inspections in the City limits (both Cabarrus and Rowan counties).

Cabarrus and Rowan counties provide animal control services inside the City limits.



CITY EMPLOYEE PROFILE

- The City of Kannapolis currently maintains a total full-time workforce of 373 employees and more than 100 permanent and seasonal part-time employees.
- The average age of the current employees is 39.
- The employee team is almost evenly split between those aged 40 and under (56%) and those over 40 years of age (44%).
- The average tenure of the current employees is 8.38 years.
- The Fire Department has a much higher tenured employee base (26% with 16+ years of service) than both the employee base as a whole (17%).
- Only 30 employees in the entire organization currently have 21 or more years of service.



Age Ranges of Employees	
Average Age: 39	
19 to 25	12%
26 to 40	44%
41 to 50	25%
51 to 60	15%
61+	4%

Years of Service with the City of Kannapolis			
	All = 373	Sworn = 82	Fire = 89
0 to 5	53%	55%	33%
6 to 10	17%	17%	22%
11 to 15	13%	15%	16%
16 to 20	9%	6%	16%
21 to 25	6%	6%	10%
26 to 30	1%	1%	0%
31+	1%	0%	0%

CITY EMPLOYEE PROFILE

Vacancy/Turnover by Department

Description	Budgeted Positions	Mar-22	YTD Turnover
		Fulltime Employees	
City Manager	9	9	0
HR	5	4	1
Legal	2	2	0
Finance	7	7	1
IT	5	5	0
General Services	11	11	0
PD Admin	7	7	0
PD Sup	36	30	4
PD Field	68	61	9
PD Special Ops	7	6	2
Fire Admin	6	6	0
Fire Emergency Services	85	83	3
Fire Technical Services	5	5	0
Engineering	9	7	3
Signs and Markings	3	3	0
Street Maint	13	12	2
Planning	10	9	2
Parks	23	22	2
CSC	12	12	2
Water Resources	39	37	6
WTP	15	14	1
Stormwater	17	15	1
Environmental Services	6	5	0
	400	372	39



CITY EMPLOYEE PROFILE

Recruitment/Retention Benefits

A City Council Planning Retreat in 2018 concluded with employee retention and recruitment being the number one priority of the City Council. Since that time the following new employee benefits and operating improvements have been implemented:

- Added Holidays: Veterans Day, Birthday Leave, Extra Day at Christmas
- Added 401k match: 1% increment up to 3% maximum (8% for Law Enforcement)
- Increased Bereavement Leave (5 days)
- Implemented Volunteer Policy: Up to 8 hours
- Added Free YMCA membership for employees/Discounted Family Memberships
- Increased Flex Health Dollars \$421 (Max \$1,263)
- Reinstated Cost of Living Adjustments (COLA)
- Increased shift premium pay (Water Treatment Plant/Telecommunicators)
- Implemented Fixed Shifts for PD (Approved Incentive Pay for Mid and 3rd Shift)
- New Flexible/Alternative Work Policy
- Temporary Mid-Year Market Adjustments for Hard-to-Fill positions



CITY EMPLOYEE PROFILE

Future Recruitment/Retention Ideas

As an effort to improve recruitment of new employees and, more importantly to retain existing employees, several expansions/improvements to City benefits and/or the City's work environments are under consideration:

- Holiday – Juneteenth
- Revisit implementation of Longevity Pay
- Revise Vacation Accrual Policy based on creditable service with Local Government Employees Retirement System (LGERs)
- New employees: Consider accepting limited number of vacation hours from previous employer or start employees off with 40 hours vacation.
- New employees: Revise sick leave policy to accept full transfer of hours upon hire from another local government.
- Increase Education Incentives (Last updated 1997)
- Increase Tuition Reimbursement
- New Hire Bonuses (upon completion of milestones)
- Wellness Incentive Bonuses
- Conduct Stay Interviews
- Update Salary Study (include explaining development range from 15% to midpoint)
- Set up recruitment booths at concerts and ballgames
- Recruit in local high schools
- Employee cameos on city website and social media
- Recruitment videos
- Improve communication with candidates during application process.



CITY GOVERNMENT SERVICE DELIVERY

Personnel Needs.

The most valuable asset our City government has is its employees. The public service arena is heavily weighted towards people to perform the work necessary to keep the City safe, livable, comfortable and vibrant.

Below is a summary of the personnel needs that were presented as part of the 2021 City Council Retreat. Some of these positions were included in the FY 22 budget. These requests represent approximately \$3.2 million in annual recurring expenditures. It is highly unlikely that all of this can be funded in a few short years but is included here as a starting point for continued discussions.

The breakdown of personnel requests are as follows:

FY 22: \$1,041,340 (18 positions). Communications Specialist, Payroll Technician, 3 Firefighters, Janitorial Supervisor, 2 Building Technicians, 5 Park Maintenance Technicians, Planner, 2 Police Officers and 2 Construction Maintenance Workers and additional part-time funding for Parks.

FY 23: \$1,167,580 (17 Positions). Engineering Technician, Fire Inspector, 3 Firefighters, Building Maintenance Technician, IT Technician, Recreation Superintendent, Parks Superintendent, Assistant Athletics Coordinator, 4 Police Officers, 2 Telecommunicators, a Crime Analyst and stipends for the Police Department as part of tactical training.

FY 24: \$485,600 (7 Positions). Assistant Human Resources Director, Planner, 2 Police Officers, Training and Recruiting officer for Police and 1 DARE/School Resource Officer and funding for a part time- administrative assistant in Fire.

FY 25: \$596,000 (9 Positions) Data/Planning/Accreditation Manager for Fire, Parks Maintenance Technician, GIS Specialist, 4 Police Officers and 2 Telecommunicators.



CITY GOVERNMENT SERVICE DELIVERY

Capital Outlay Needs.

Similar to employees being the City government's most valuable asset, the tools they need to perform their jobs is nearly important. There are extensive capital outlay needs city-wide. Capital outlay refers to any capital purchase over \$5,000 but under the \$100,000 Capital Improvement Project threshold. Items in this category are related to vehicle, machinery and equipment purchases. Most of these capital outlay requests are replacement of existing vehicles, machinery and equipment, which are past their useful life and have a history of high maintenance costs and repairs.

Below is a summary of the needs that were presented as part of the 2021 City Council Retreat. Some of these items were included in the FY 22 budget. These request represent approximately \$12.3 million in funding for capital outlay. It is highly unlikely that all of this can be funded in a few short years but is included here as an order of magnitude.

Over the next 5 years, there are requests for 82 replacement vehicles and pieces of machinery, such as: crew trucks, fire engines, mowers, trailers and other equipment needs. This includes 60 police cruisers (12 each year) that are recommended to be replaced based on mileage and maintenance concerns

Over the next 5 years, there are 20 vehicle requests tied to new personnel requests solely. Lastly, there are 21 pieces additional pieces of machinery/equipment/vehicles requested outside of personnel requests. Many are additional pieces of equipment necessary to keep up with service demand and delivery.

The breakdown of capital outlay requests are as follows:

- FY 22: \$2,820,900 (19 replacement vehicles, 5 tied to new positions, 8 additions)
- FY 23: \$2,969,300 (15 replacement vehicles, 7 tied to new positions, 8 additions)
- FY 24: \$3,190,000 (19 replacement vehicles, 4 tied to new positions, 1 addition)
- FY 25: \$1,695,000 (15 replacement vehicles, 4 tied to new positions, 4 additions)
- FY 26: \$1,654,000 (14 replacement vehicles)



CITY GOVERNMENT CHALLENGES

- Turnover. Major Issue with police officers and with construction maintenance workers (Water Resources and Stormwater).
- Recruitment – this is a problem in all City departments.
- Labor shortages. Kannapolis is not alone in this.
- New Commercial Driving License (CDL) training requirements.
- Employees need new/updated technology training: Focus less on roles in specific departments and more on critical skills that benefit multiple areas.
- Improved internal communications; there is the need for more transparency/listening sessions with employees.
- Enhance Inclusivity: Employees want to be part of the conversation/decision making process.
- City as an employer becoming more responsive to employee mental health/work-life balance/social well-being.
- "The Great Reshuffle": Employers are having re-think their values, embrace flexibility, recognize where employees want to work, how they work, define new roles, and how employees are compensated.
- Pending retirements/succession planning.
- Increased wages.
- Increased reliability on technology (need for more equipment, increased cyber-security, additional IT staff).
- Increased demand of police services (mental health calls, civil issues)..

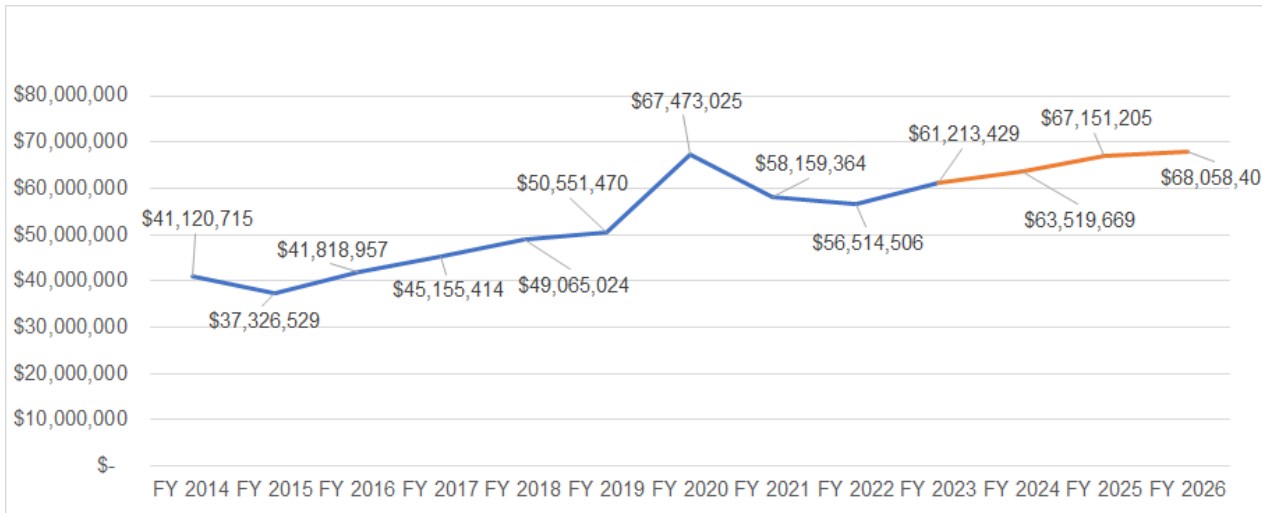


CITY FUNDING STRUCTURE

- The General Fund is the city's main and largest operating fund.
- The General Fund houses most city services and programs outside of those that operate as an Enterprise (business) Fund.
- The General Fund revenues have increased on average 5% from FY 14 to FY 23.
- FY 20 was an anomaly with a \$17.5 million TIF refund.
- Revenues are projected to grow by 4% each year for FY 24 - FY 26.
- Revenue estimates continue to be conservative and revenue collections continue to outpace initial forecasts.



**General Fund Revenues
Actual to Projected**



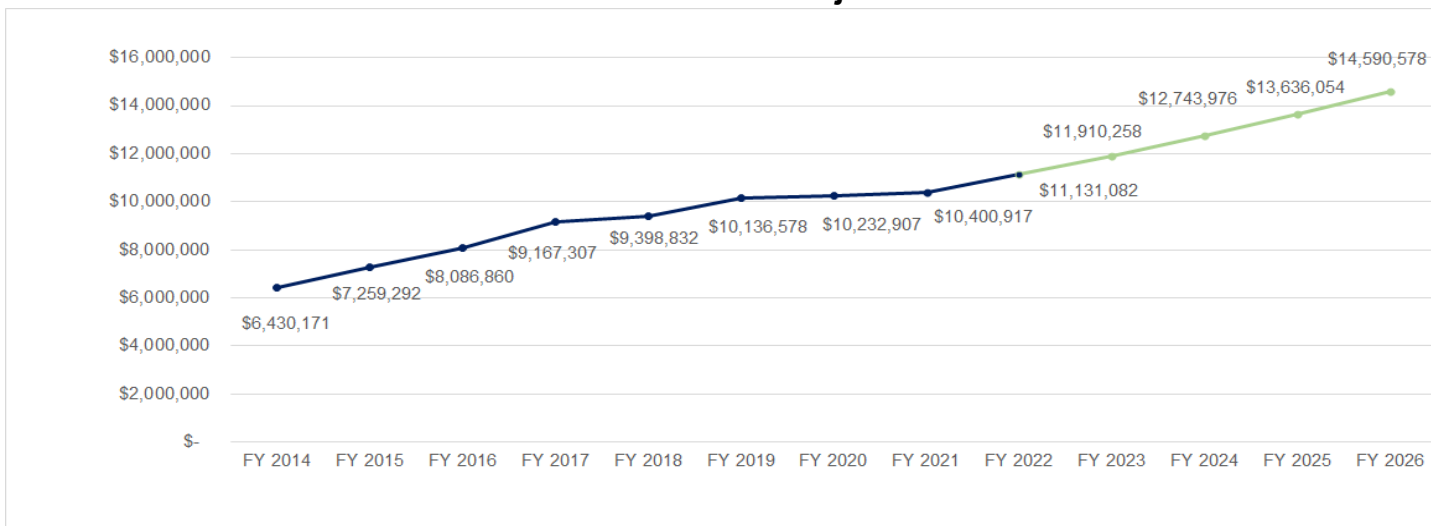
Note: Blue line shows actual revenues collected and orange line shows projected revenues

CITY FUNDING STRUCTURE

- Sales Tax Collections continue to be a strong source of revenue for the City.
- It is the second largest revenue stream.
- Sales tax can be a volatile revenue source as it is contingent on the economy.
- The City has seen gains in this revenue stream even during the Covid-19 pandemic. Shortfalls were forecasted but didn't come to fruition.
- Sales tax collections are projected to double in a 10-year window (FY 14 to FY 24).
- Sales tax has increased on average by 7% from FY 14 to FY 23.
- 7% growth rate is projected for future fiscal years FY 24 - FY 26.



**Sales Tax Collections
Actual to Projected**



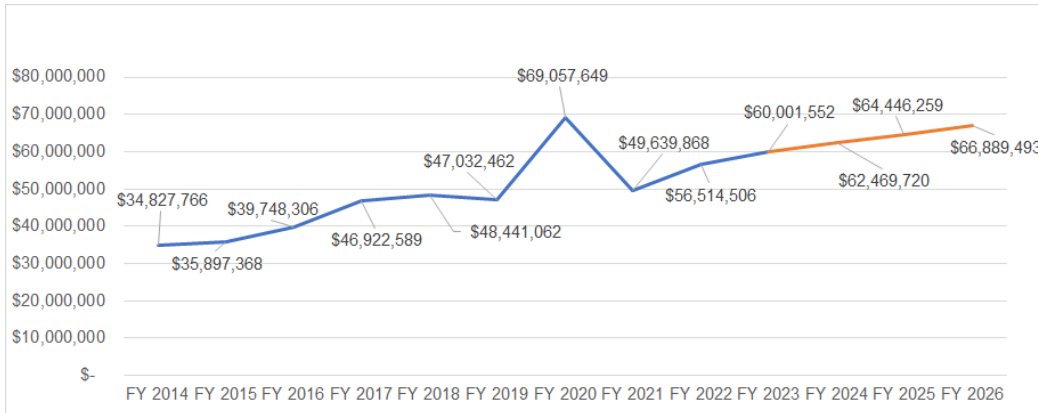
Note: Blue line shows actual revenues collected and green line shows projected revenues

CITY FUNDING STRUCTURE

- The General Fund spending has increased on average 8% from FY 14 to FY 23.
- FY 20 was an anomaly with a \$17.5 million TIF refund.
- Expenditures are projected to grow by 4% each year for FY 24 - FY 26.
- The City is conservative for expenditure projections and includes operational increases based on inflation, cost of living/personnel increases and existing and new debt service obligations.
- Expenditures are often looked at in the following categories: personnel, operating and capital or by function area as designated by the pie chart below.

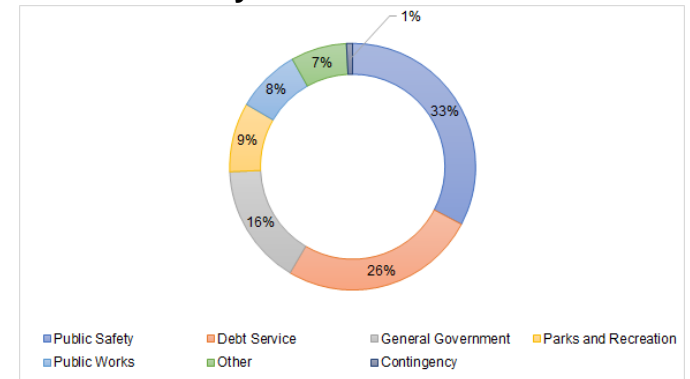


General Fund Expenditures Actual to Projected



Note: Blue line shows actual expenditures spent and orange line shows projected expenditures

General Fund Expenditures By Function Area



CITY GOVERNMENT FINANCES

General Fund Bond Rating Analysis

Strengths and **vulnerabilities** according to the S&P and Moody's rating agencies:

- ✓ **Finances** – The financial position of Kannapolis is very strong. City's cash balance is equivalent to US median and fund balance as a percent of operating budget is higher than the US median.
- ✓ **Economy and Tax Base** – The economy and tax base of Kannapolis are strong with access to a broad and diverse statistical area (MSA).
- ✓ **Management and Governance** – North Carolina cities have an institutional framework that is very strong. The City has strong management oversight with good financial policies and practices.
- ✓ **Budgetary Monitoring** – Strong budgetary flexibility with strong cash reserves of around 34% of the operating budget. Revenues are stable and revenue raising flexibility is strong. Expenditures are highly predictable and stable.
- ✓ **Cash Management** – Very strong liquidity with total government available cash at 60% of total governmental fund expenditures. Access to external liquidity that is considered a strength.
- ✓ **Debt and Pensions** – Overall, the debt and pension liabilities of Kannapolis are mid-ranged. Weak debt and contingent liability profile with debt service carrying charges at 20% of expenditures and net direct debt that is 277% of total governmental fund revenue.
- ✓ **Credit Challenges** – Above average debt burden resulting in high fixed cost burden with below average resident wealth indices.
- ✓ **Wealth and Income Profile** – Stable but below average with median family income at 78.4% of the nation. City's full value per capita figure is below average at \$82,142 when compared to similarly rated credits.



Credit Rating Grades

Moody's Investors	Standard & Poor's	Fitch Ratings
Service		
Aaa	AAA	AAA
Aa1	AA+	AA+
Aa2	AA	AA
Aa3	AA-	AA-
A1	A+	A+
A2	A	A
A3	A-	A-
Baa1	BBB+	BBB+
Baa2	BBB	BBB
Baa3	BBB-	BBB-
Non Investment Grade		

Indicates Issuer Rating

Indicates LOBs Rating



CITY GOVERNMENT FINANCES

Water and Sewer Fund Bond Rating Analysis

Strengths and **vulnerabilities** according to the S&P and Moody's rating agencies:

- ✓ **Finances** – The financial position of Kannapolis Water and Sewer is strong. The debt to operating revenues (2.6x) is consistent with the US median and has experienced strong growth from 2016-2020.
- ✓ **Customer Base** – Primarily residential and growing customer base with relatively affordable water and sewer rates with an approximate bill of \$92 for combined services (based on an average consumption of 6,000 gallons) which is expected to remain affordable given population growth.
- ✓ **Operational Management** – Good operational management practices and policies, with diverse and ample water supply and sewage treatment. Good risk mitigation policies that incorporate drought management and cybersecurity.
- ✓ **Management and Oversight** – Strong management team with long range forecasts that incorporate planned rate increases to ensure that operations remain healthy despite anticipated debt issuance for system improvements.
- ✓ **Cash Management** – Sufficient liquidity. The days of cash on hand (75 days) and the coverage of annual debt service by net revenues (1.1x) are thin and well below other rated water and wastewater systems nationwide.
- ✓ **Debt and Pensions** – Low debt profile with marginal debt service coverage.
- ✓ **System Characteristics** – System profile of Kannapolis Water and Sewer is satisfactory but is considered a weak factor due to the median family income is only at 78% of the US level while the system size, measured as operating and maintenance expenses are high.



Water and Sewer Enterprise Ratings

Moody's Investors Service	Standard & Poor's	Fitch Ratings
Aaa	AAA	AAA
Aa1	AA+	AA+
Aa2	AA	AA
Aa3	AA-	AA-
A1	A+	A+
A2	A	A
A3	A-	A-
Baa1	BBB+	BBB+
Baa2	BBB	BBB
Baa3	BBB-	BBB-
Non Investment Grade		

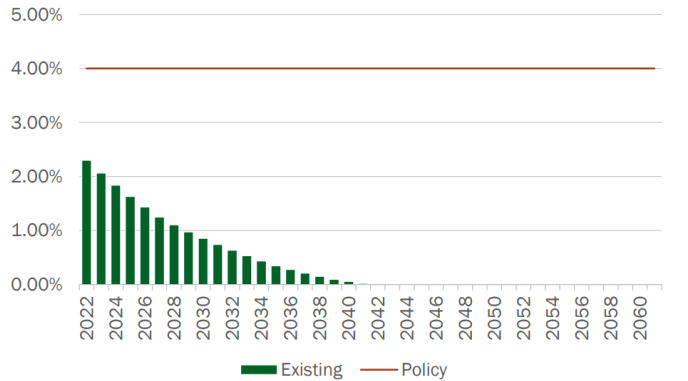
CITY GOVERNMENT FUNDING STRUCTURE

Current City Debt Policies

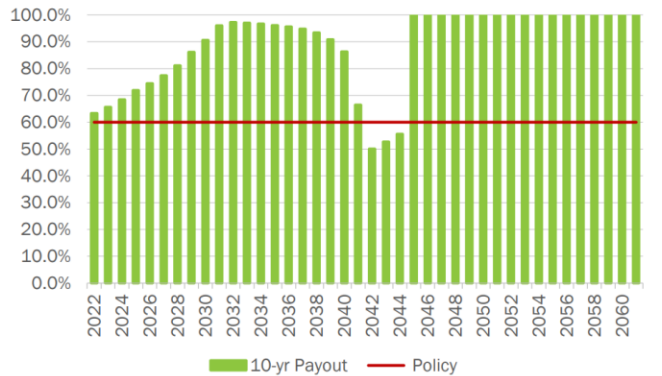
- Minimum 10-Year Payout Ratio of 60.0%.
- Maximum Debt Service to Expenditures Ratio of 15.0%.
- Maximum Debt to Assessed Value Ratio of 4.0%
- Heavy debt to expenditure ratio until 2032 when debt rolls off.
- Biggest area of vulnerability for the City is the heavy debt burden.



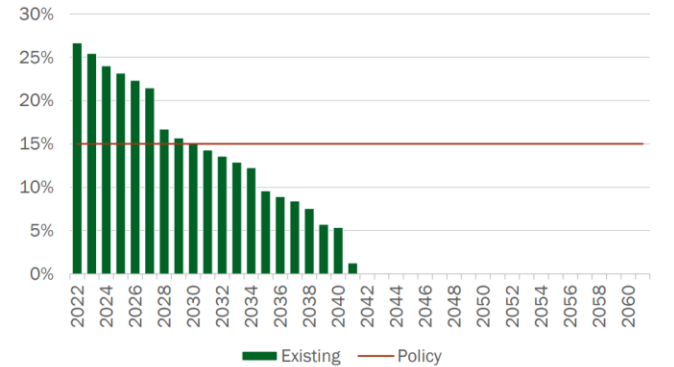
Debt to Assessed Value



10-Year Payout

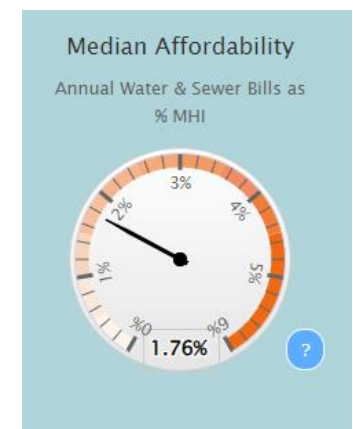
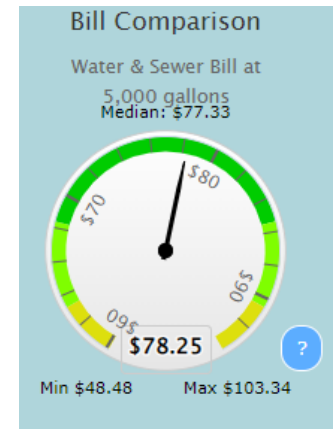
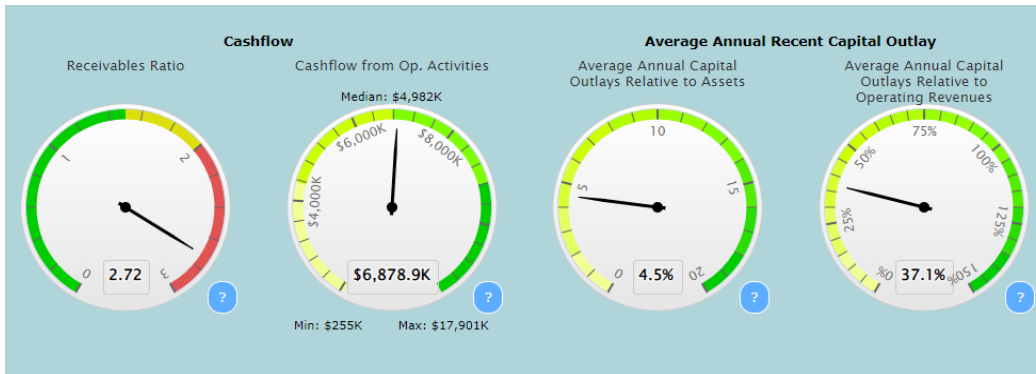
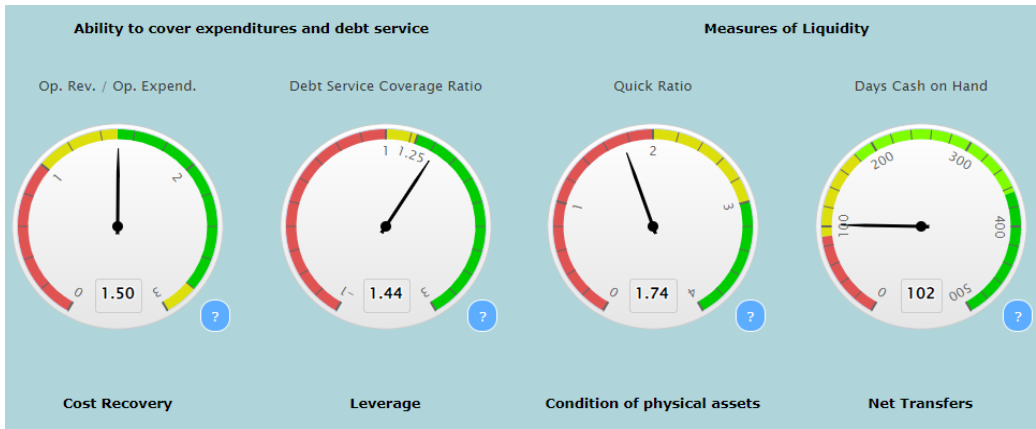


Debt Service to Expenditures



LOCAL AFFORDABILITY

- These dashboards show a snapshot of the overall health of the City's Water and Sewer system.
- Dashboard is in line with credit rating agencies' opinions.
- Average bill is relatively affordable based as percentage of median household income.
- Marginal debt service coverage.
- Low receivables ratio, which is an indicator of how quickly payments are being collected relative to the billing period.



TECHNOLOGY

Initially, the City was slow to fully embrace technology in its operations, but the past decade has been a rapid catch-up that has resulted in tremendous new service delivery effectiveness but not without some challenges. Cyber-Security attacks have taught us how vulnerable technology can be through the loss of time, money, and major service-delivery complications. Additional, Covid-19 taught cities and businesses how technology can improve service delivery and provide remote work environments for employees.

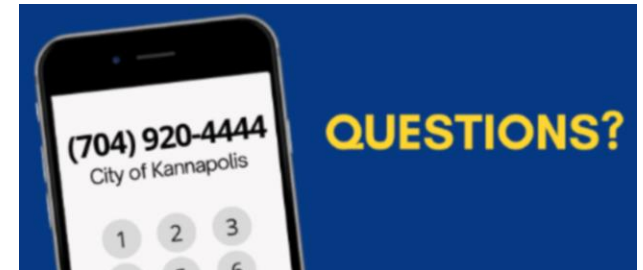
The City's nearly 400 employees utilize 174 desktop computers, 192 mobile computers and 200 office phones, and 363 cell phones/Mifi units. 147 servers keep all of this technology working properly.

The City utilizes more than a dozen software platforms to support the internal operations of all City departments (e.g., telecommunications, financial management, water system monitoring, geographic mapping).

In 2021 the City established an entirely redesigned customer service department with the goal of using technology and streamlined communication to deliver more efficient services and to better assist customers.

Additionally, the City has invested in numerous new software programs and technology platforms aimed at providing more convenience to the user and more effective service delivery:

- Award-winning, user-friendly website which was launched in 2015.
- Accela, to provide online permitting and plan approvals to contractors, engineers, architects, homebuilders and land developers.
- Everbridge which allows the City to communicate en masse with its citizens (emergencies, vital information)
- Wireless guest network at City Hall
- Cartology, which helps residents manage their garbage and recycling services.
- Customer Connect, a new portal for City billing allowing customers more options to manage accounts and pay bills.



COMMUNITY ENGAGEMENT

City Government is only as effective as the citizen base that supports it. In relative terms, currently the City maintains five active, standing advisory and or community involvement groups:

- Planning and Zoning Commission.
- Zoning Board of Adjustment.
- Community Improvement Commission.
- Parks and Recreation Commission.
- Kannapolis Youth Council
- Kannapolis 101
- Police and Fire Academies

Over the past few decades other groups have been appointed by City Council for various reasons, including but not limited to the following:

- City Centennial Committee
- Beautification Commission
- Weaving a Shared Future Vision Cabinet
- Environmental Stewardship Commission

Additionally, in recent years the community has created various advocacy and special interest groups without direct City involvement:

- Downtown Kannapolis Inc. (no longer active)
- Cabarrus Events Association (no longer active in Kannapolis)
- Community BRIDGE
- Kannapolis History Associates
- Kannapolis African-American Museum and Cultural Center, Inc.
- North Carolina Music Hall of Fame Board of Directors
- Kannapolis Education Foundation



OBSERVATIONS:

- Kannapolis has only a few decades of developing the relationship between government officials/staff and its business and residential constituents. Cannon Mills played this role for the first 75 years of the City's existence.
- There is a potential void in active, positive leadership in the City as current elected officials may conclude their service to the City in the next several years.
- Kannapolis may not have as many formal opportunities for citizen service as similar communities, but engagement opportunities need to be developed in informal settings when appropriate.

I. WHAT IS ON THE HORIZON?

INFLUENCING FACTORS

William Jennings Bryan once remarked that “destiny is no matter of chance. It is a matter of choice.” Kannapolis’ future falls into two main categories: 1) things we have no control over, and 2) things we fully control by the choices we make as a community. There is really a third category, for the things we have no control over, what we do with those things; how we capitalize on them or prevent them from negatively impacting us.

The following pages explore these influences and offer some insight about what lies ahead for our City and its future.

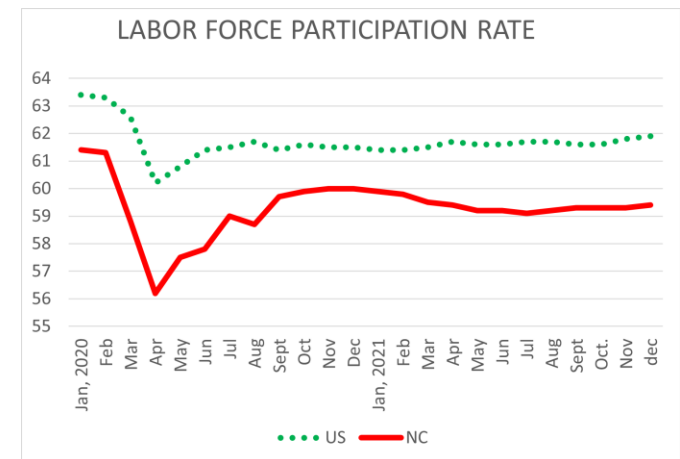


ECONOMIC

North Carolina: Preparing for the Longer Run

Although the state's economic path in upcoming decades should be more positive than for many states, there will be issues and challenges that, with enough foresight, North Carolina can successfully address.

- One may be an issue the state is currently experiencing – a labor shortage. Although current projections from the State Demographer and analysts in the state Department of Commerce show the number of workers and number of job positions increasing at the same pace, there could still be labor shortages in two ways.
 - One is a possible *geographic shortage*, meaning the number of new jobs in a specific region may not match the number of new workers in that same region. The shortages will mainly occur in fast growing metropolitan areas, while surpluses will be more prevalent in several rural regions. State policies facilitating the movement of labor from surplus regions to shortage regions should be considered.
 - The second labor shortage could be in *training*. Technological developments will continue to move jobs away from those using low-skilled labor to perform routine tasks to jobs applying high-skilled labor for cognitively challenging tasks. The question is whether education and training will keep up with the changes. Many of the cognitive-based occupations will require formal training beyond high school and while two-thirds of high school graduates in North Carolina enroll in a 2 or 4-year college, a large number do not graduate, and others follow majors that are not in demand.
 - International competitiveness is another long-run issue. While the U.S. – and North Carolina – are leaders in many economic sectors, other countries are rapidly developing and improving. The next several decades will see increased competition from India, Vietnam and Africa. Advances in technology will continue to expand worldwide trade. This is another reason why North Carolina must continually evaluate all levels of its educational system to ensure our students and workers are keeping pace with the world.



Page source: NC State economist Dr. Michael Walden.

ECONOMIC

The Next New North Carolina

North Carolina has remade its economy several times. Now, as the state, country and world emerge from the Covid-19 pandemic, a new North Carolina is likely to emerge, with 2022 being the starting point.

- The next new North Carolina will be based – just as the previous versions have – on new technology. Artificial intelligence, virtualization and digitalization will be the leaders in the next version of the state.
- It is difficult to comprehend what the state will look like in a decade, and certainly in two decades. How and where people work and live, how they shop and engage in important services like education and health care, and how both products and services are generated and delivered, will determine the future.
- Futurists agree the pandemic has accelerated these developments, meaning the next new North Carolina will arrive sooner than it would have without Covid-19. Hopefully this will be a lasting positive legacy of the pandemic.

Local and North Carolina Economic Positioning

- Strong in-migration.
- Life sciences, technology, financial sectors strong.
- Manufacturing and logistics also strong.
- Workforce shortages still loom.
- Cabarrus County: under-represented in manufacturing, technology, and professional services jobs
- Cabarrus County: Could have workers commuting IN for low-wage positions due to lack of affordability; and residents commuting OUT for higher wage positions due to current industry make-up



ECONOMIC

North Carolina: Future Economic Trends

UNC's Kenan-Flagler Business School, in partnership with North Carolina CEO Leadership Forum, produced a white paper analyzing the economic trends shaping the years to come. The report, "Seven Forces Reshaping the Economy," argues that most economic impacts are categorized into seven major trends that can be prescribed policy solutions to be considered by government and business leaders. The report lists the seven trends shaping the future North Carolina economy:

- Changes in work, travel and migration patterns.
- Accelerating shifts toward on-demand and at-home retail.
- Onshoring and widening of supply chains.
- Renewed focus on diversity and dismantling systemic racism.
- Upending of education and childcare.
- Shocks to health care and pharmaceutical demand.
- Risk reassessment by capital providers.



The report also lists suggested policies for North Carolina:

- Support workforce development through up-skilling, re-skilling and traditional education.
- Implement an emergency program to employ recent college graduates as K-12 teaching assistants and tutors.
- Expand access to broadband.
- Focus on opportunities to expand existing businesses, as opposed to attracting new businesses.
- Renew North Carolina's commitment to diversifying state purchasing from Historically Underutilized Businesses (HUBs) to promote supplier diversity.
- Continue to support initiatives that highlight North Carolina's quality of life, including promotion campaigns specifically geared toward relocating knowledge workers from across the U.S.
- Establish a task force of North Carolina-based manufacturers.
- Establish a task force of fintech leaders, education technologists and gaming industry experts.

ECONOMIC

Needed Workforce Adaptations.

Future of Jobs Report 2020 by World Economic Forum

- Continued technology adoption – cloud computing, big data, security & encryption, artificial intelligence, automation
- 43% of businesses surveyed will reduce workforce due to technology integration
- “By 2025, the time spent on current tasks at work by humans and machines will be equal.”
 - An estimated 85 million jobs may be displaced by a shift in work from humans to machines, while 97 million new roles may develop to adapt to new technology economy
 - Skills gaps: critical thinking & analysis, problem solving, soft-skills (resilience, active learning, stress tolerance, flexibility)
- An estimated 50% of all employees will need reskilling

Future of Work Strategist Heather McGowan to the NC Chamber, March 2022

- In 1994, the largest group of our working population was age 35-44, at 27% of the workforce. Today, the largest group of working population is the 55+ age group, at 25% of the workforce. This does not help our workforce shortage.
- 64% of unemployed men in the 35-year-old range have a criminal record. Second-chance hiring programs are extremely important tools.
- Women are strongly outpacing men in earning degrees, but also continue to bear the uncompensated jobs of parenting and caregiving for an elderly person, making working even more difficult.
- While jobs are still identified by skills, soft skills like an agile learning mindset, resiliency and adaptiveness, and the ability to collaborate play a bigger role in success.



ECONOMIC

Artificial Intelligence and Automation.

AI/Workforce Automation Risk Assessment, January 2022 – by EY for Centralina Council of Governments

[Centralina Automation Assessment v10 sent to client Board \(centralinaedd.org\)](http://centralinaedd.org)

- Back Office, Hospitality, Personal Services, Logistics, and Manufacturing/Production occupations show the highest risk of automation for the Charlotte region. Most are those requiring no formal education or those requiring a high school diploma.
- Examples include computerized ordering at restaurants or check-in at hotels, customer service chatbots, autonomous trucking, inventory management.



Centralina CEDD Total Jobs at Risk by Education level



Source: EY analysis of Oxford and EMSI data



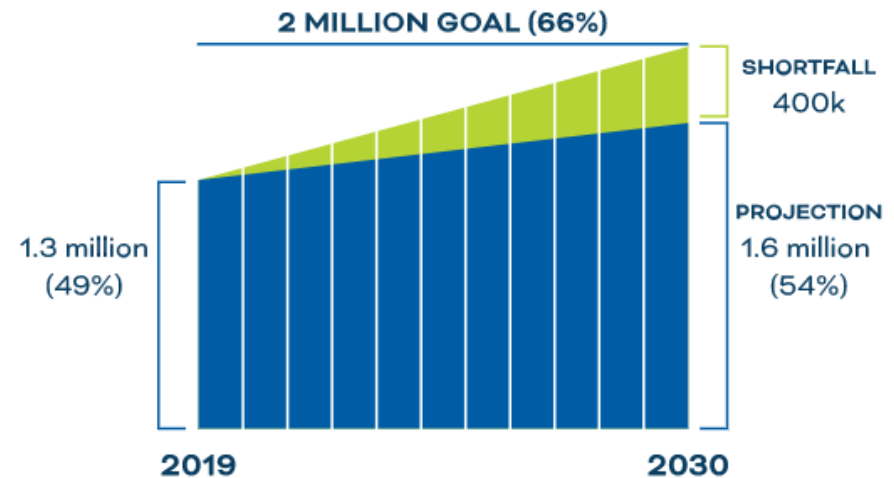
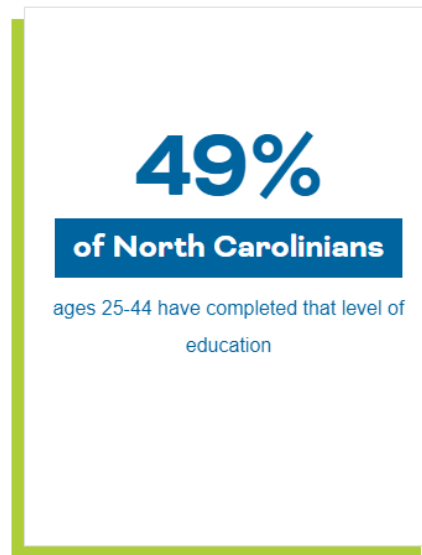
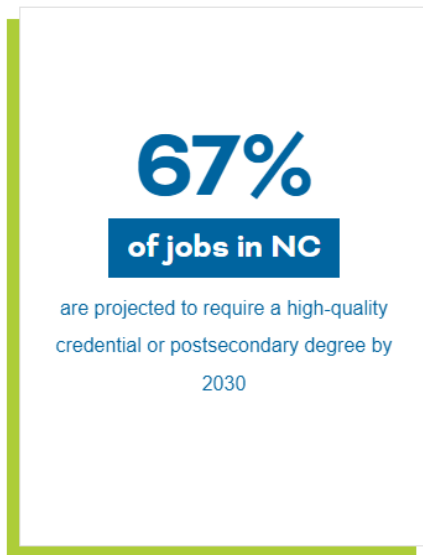
ECONOMIC

Workforce Shortage & Skills Gap.

- By 2030 there is a projected need for 400,000 more workers with postsecondary degree or credentials in North Carolina.
- Currently, 67% of jobs in North Carolina require a postsecondary degree or high-quality credential, but less than half of residents between the ages of 25 and 44 have those qualifications. Reports show that the state is largely relying on outside talent to fill that gap,
- U.S. Department of Labor recently announced that NC State will be awarded a \$6 million grant project to develop the AI Academy, a workforce development program that will prepare 5,000 artificial intelligence (AI) professionals for North Carolina and beyond.



(MyFutureNC)



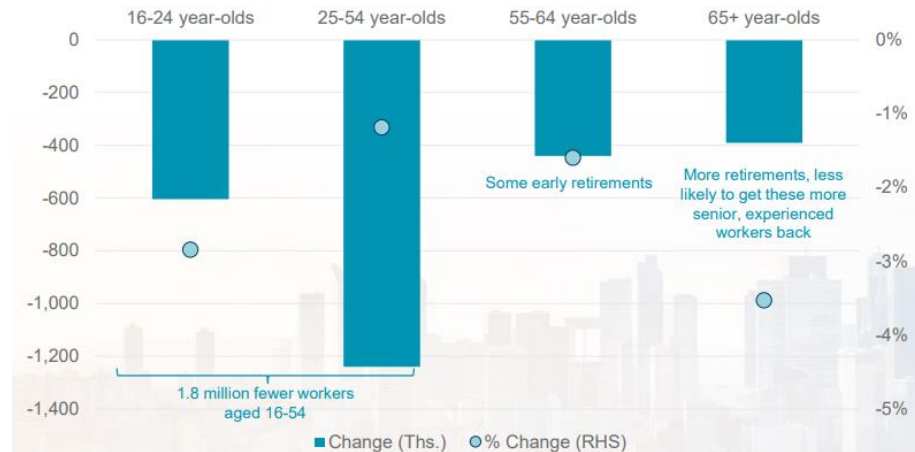
ECONOMIC

Summary of Key Economic Influences 2022 and beyond.

- Labor market/workforce shortages for the next two generations! Causes: Covid impacts, baby boomer retirements, declining fertility rates, declining life expectancy, foreign immigration-limiting policies.
- The Great Resignation.
- New business starts have increased.
- Inflation, interest rates, housing costs.
- Supply chain disruptions; increased consumer spending on durable goods vs services
- Companies increasing inventory -> warehousing. Move to on-shoring production? Linkages to Latin & South America for shifts in production from Asia
- Remote workers. Opportunities for suburbs, small & mid-sized cities
- E-commerce continuing to grow. Downtowns become more focused on entertainment, amenities, place-making/experiential rather than shopping
- Thinking of downtowns as a center for human connection, vs. places to live and work – quality of place. Experiential components include architecture, open space, connectivity of infrastructure, hub for culture



Change in Labor Force Size by Age Cohort
February 2020 versus August 2021



Source: U.S. Bureau of Labor Statistics

SOCIAL, CULTURAL & LIFESTYLE

2021 City Council Virtual Retreat: Parks, Recreation and Cultural Facilities

Numerous parks, recreation and cultural facilities were explored as part of the 2021 City Council Virtual Retreat.

Since this retreat, components of these projects have been started or completed:

- Playground equipment at Village Park.
- Parking lot improvements at Bakers Creek.
- A new parking area on the northern end of the Irish Buffalo Creek Greenway.

The final retreat rankings are shown on the table to the right.

OBSERVATIONS:

Questions that the Strategic Plan needs to answer:

- Skate Park (how big/expensive, purpose, where)
- Westside and Eastside Parks (USPC partnership? Timing)
- Gem Theatre Renovations (scope of improvements, timing)
- Cultural Arts Plan/Program (museums/music/art, plan needed)
- Community Center (YMCA partnership or new facility)
- Priority rank of the three greenways
- Village Park (proceed with green room?)
- Bakers Creek (replace park building?)
- School Facility upgrades (USPC partnership?)
- Campus Lawn Improvements (at least establish vision)

1	Skateboard Park
4	Village Park Phase IV (green room behind amphitheater)
6	Westside Park (primarily athletic fields)
8	Gem Theatre - Phase II Renovations (lobby, concessions, seating)
9	Community Center w/ Swimming Pool (new OR YMCA partnership)
15	Bakers Creek Park Improvements (new park building)
23	Irish Buffalo Creek Greenway (Rogers Lake Rd to Bakers Creek Park)
26	Eastside Park (dog park, walking trails, picnic shelters)
28	Enhanced Summer Concert Series (future increases)
37	North Bakers Branch Greenway (Bakers Creek to W. 22nd Street)
38	Rocky River Greenway (Farm at Riverpointe to NC 73)
39	School Athletic Facility Upgrades (fields and gyms)
40	Campus Lawn Improvements (passive amenities)
43	Dog Park (likely downtown location)
45	Cultural Arts Program (operating various cultural arts programs)
47	Gem Theatre - Phase III Renovations (conversion to performing arts)
49	Municipal Par 3 Golf Course (likely at the 8th Street Landfill property)
51	Vietnam Veterans Park Operations (taking over ownership/operations)
54	Lake-Front Park/Trail at Old Intimidators Stadium (passive amenities)
57	Archery Facility (outdoors)



COMMUNITY SAFETY

2021 City Council Virtual Retreat: Public Safety

Numerous public safety facilities (primarily Fire Department) were explored as part of the 2021 City Council Virtual Retreat. Since this retreat, components of these projects have been started or completed:

- **Fire Station #1 Remodel.** Design underway. 25-year-old station that no longer serves the needs of male/female sleeping quarters, renovate kitchen, expand de-con area.
- **Fire Station #4 Improvements.** Renovation Design underway for short-term, interim improvements that will improve the functionality of the site until a new station is built.

However, a number of these projects need more discussion and definition. This should be addressed as part of this Strategic Planning process.

The projects emerging from the previous retreat include:

- **Eastside Fire Station.** Apparatus and full staffing to relieve call volume of Station #1 and help address expanded service area towards Kannapolis Crossing.
- **Western Cabarrus Fire Station.** Permanent station with full staffing. Eliminates growing contract with Odell VFD to provide service, especially as they struggle to provide adequate coverage due to low staffing levels.
- **Fire Department Storage Facility.** Provide additional storage for expanding equipment needs and covered storage for reserve apparatus.
- **Fire Department Training Facility.** Replace fire tower, originally built in 1996. Added smokehouse and other obstacles for training purposes.
- **Fire Station #4 Replacement.** Existing station is located on the edge of the City's service area (Actually inside the City of Concord). The station was constructed for a volunteer department and is the oldest remaining City station. The new station would be relocated further to the north.



OBSERVATIONS:

- The construction of new (non-replacement) fire stations is a simple matter of timing. Volunteers in Odell currently assist the city in serving the area of the City west of Lake Howell until such time that a deal is finalized for the City to acquire the current Odell Station 2. Bostian Heights VFD will likely assist the City at Kannapolis Crossing until such time that a station at the old Ballpark is constructed.
- A project not included in the 2021 City Council Retreat is the recently emerging move to construct a Regional Public Safety Training Facility on part of the old Jackson Training School property off Highway 49 in Concord. A preliminary project scope and space needs study is soon to be underway which will define the level of the City's participation better.

COMMUNITY SAFETY

Technology can play a key role in the future of public safety. The following new technologies will likely enter into the funding and implementation discussion in the coming years.

- **Autonomous Vehicles/Drones.** On the ground and in the air programmable vehicles will transport first responders and equipment before, during and post-incident and reduce human-error caused collisions. These wheeled and winged vehicles will also play an important role in collecting and delivering data to responders via GPS, remote sensing and 3D 360-degree imagery capabilities.
- **Virtual, Mixed, and Augmented Reality (VR/MxR/AR).** The focus is to provide citizen education, responder training and emergency response enhancement through these emerging platforms. Children will soon learn stop, drop and roll in virtual reality through haptic touch and digital scent. As an example, departments, in an effort to help residents plan to escape their home safely in a fire, utilized 360-degree video and VR technology to create a unique and engaging experience. KFD is currently using a virtual program called Sims-U-Share which allows us to create scenarios with different views to solicit feedback and actions from participants.
- **Artificial Intelligence (AI).** Future AI will provide real-time traffic analytics for time “closest” dispatches, object recognition through computer vision, and will warn interior crews of pending flash-over and backdraft environments created on physics-based computational computing. The department is using GIS to ensure closest unit response, this technology will continue to improve.
- **Advanced Biotelemetry.** In addition to heart rate, biotelemetry will provide knowledge of a firefighter’s individual and specific activity levels that will help notify managers how hard interior crews are working. Coupled with current connected monitoring of personnel and integrated with air management, advanced biotelemetry will keep responders safer in an immediately dangerous to life or health (IDLH) environment. With our new SCBA, we can monitor air supply and status of each firefighter operating at a fire or Haz-mat incident.
- **Facial Recognition Software:** This type of software is already assisting law enforcement in protecting those they serve. In the future, fire and medical personal will use this form of computer vision to allow a responder to know an unconscious patient’s identity, next of kin, treatment permission and medical history.



COMMUNITY SAFETY

- **360 Video.** These cameras are being used below water, from the ground and in the sky and can educate citizens and responders in many aspects of fire and life safety. Via social media they already provide visual displays in real-time that allow responders to intellectually understand active shooter, flood, fire, and collapse scenes prior to arrival.
- **Computer Vision, Edge Detection and Object Recognition.** Several systems have been developed by public (NASA) and private groups that allow firefighters in-facepiece vision, providing digitized and contrasted edge detection, in addition to thermal imaging. These new systems allow onboard object recognition that will transmit warnings to unaware firefighters and advise of imminent collapse of floors and roof assemblies. The City's new SCBA has several of these features built in.
- **SMART Cities.** These types of initiatives around the globe bring it all together by providing 3D/360 digital assets for fire prevention, response mitigation and investigations. The use of digital design has been a staple for decades and fire prevention bureaus, enabled by the advent of FirstNet and 5G cellular technology, will be part of a previously unimaginable set of target safety maps that will interface with responder's phones, tablets, facepieces and augmented reality; akin to "Ironman" stylized safety systems. A new cloud-based Records Management System that the department is reviewing integrates GIS technology with our mapping systems to more quickly evaluate buildings during an incident.
- **Cameras Everywhere.** While there is a fine line between this becoming "big brother watching" and providing for a safer community, it is clear that eyes on the street can make a difference in certain kinds of crime prevention. This is already being deployed in our new downtown. In the future neighborhood cameras (paid for by homeowners associations) and intersection cameras (paid for by the city/state) are likely investments.



INFRASTRUCTURE MAINTENANCE NEEDS

Water Mains:

- The Water Main model recommends a replacement of the water main when the main has reached end of life based on an estimated life expectancy of either 75, 60, or 50 years depending on the main's pipe material.
- The model suggests that we currently have a backlog of \$49.2 million worth of mains that are at or past their estimated life expectancy.
- To maintain our network the model currently suggests investing \$3 million per year.

Water Hydrants:

- The Water Hydrant model recommends a replacement when the hydrant has reached end of life based on an estimated life expectancy of 30 years.
- The model suggests that we currently have a backlog of \$7.5 million worth of hydrants that are at or past their estimated life expectancy.
- To maintain our network the model currently suggests investing \$100,000 per year, to improve the overall service state of our network the model suggests investing \$150,000 per year.

Sewer Mains:

- The Sewer Main model recommends a replacement of the sewer main when the main has reached end of life based on an estimated life expectancy of either 75 or 50 years based on the main's pipe material.
- The model suggests that we currently have a backlog of \$172.7 million worth of mains that are at or past their estimated life expectancy.
- To maintain our network the model currently suggests investing \$3.5 million per year.



INFRASTRUCTURE MAINTENANCE NEEDS

Pavement:

- The Pavement model is setup to trigger different pavement treatments based on the pavement segment's pavement condition rating or distress data.
- We are currently recommended the following treatments:
 - Patching
 - Crack Seal
 - Preventive Maintenance
 - Preservation-Prevent
 - Preservation-Correct
 - Rehabilitation
 - Reconstruction
- Based on the survey results, the model suggests that we currently have a backlog of nearly \$70 million worth of work that needs to be performed.
- To maintain our network at its current state the model suggests investing \$1 million per year.
- To improve the overall state of our network, the model suggests investing \$1.5 million per year to increase the overall condition rating from a 45 to a 53 (based on 100-point scale) within a 30-year period.



CITY GOVERNMENT SERVICE DELIVERY

The City has always explored ways to ways to enhance the method and level of service delivery to the community and its citizens. The following are ideas that may gain traction in the coming years:

- **Establishment of a Park Ranger program.** This initiative would create a team of non-sworn Park Rangers. As the name suggests part of the duties would be to patrol and extend simple security services to City parks, downtown and other typically safe environments. Assisting in special events and a wide range of “duties as assigned” would be part of the expectations. This program would allow for two years on the job training for those coming out of high school (not yet the minimum 20 years of age) that aspire to be sworn police officers. This program would also assist with staffing and workload challenges in numerous departments including the Police Department.
- **Smaller Fire Department Medical Units.** While fighting fires is the most dangerous and complex service the Kannapolis Fire Department provides, it is certainly not the most frequent. The Department spends a significant amount of time responding to medical calls, usually arriving prior to county EMS units (so there is certainly a public benefit to this service). The concern is constantly responding to a routine medical call with million-dollar firefighting apparatus when there is no need. This program would require a significant expenditure in new personnel (due to the nature of the service) and certainly new vehicles. This could be taken a step further with a discussion about a merger of these services with one or both counties.
- **Mental Health Officers/Social Liaisons in the Police Department).** The “defund police movement” became an over-used, politicized description of a serious and growing problem in law enforcement. Kannapolis officers consistently face complex domestic conflicts in the performance of their duties. Most police departments (including KPD) are not structured to adequately find solutions to complicated social and mental health situations. New investments in personnel with specific mental and social health could be a solution better addressing these situations.



CITY GOVERNMENT SERVICE DELIVERY

Additional Future City Services and Initiatives:

- **“New” Community Policing.** Community engagement by law enforcement will be demanded in the immediate future. Simply saying we practice "Community Policing" will not work. Officers will need to get out of their police cars and develop relationships with members of the community.
- **30 by 30 Strategy of Law Enforcement.** This strategy encourages law enforcement agencies to take a proactive approach of employing females into a male dominated profession, with 30% of the sworn workforce being females by 2030. The belief is that law enforcement organizations should be reflective of the community they serve, and females tend to adapt more easily to the social working aspect of the profession. One thing that must not be lost in deploying this strategy is that all highly qualified applicants are hired regardless of gender, race, or sexual orientation.
- **Active Senior Programming.** The evidence is clear that we will have a growing senior adult population in the coming years. More targeted programming, services and marketing/communication strategies will become more important over time. Partnerships with both counties and the faith community is a potential pathway to consider.
- **Pickle Ball.** One of the fastest growing recreation activities is pickle ball, an active sport suitable for all ages. It is likely that these facilities will begin to find their way into the city's park planning. There is even a private sector movement to capitalize on this which may ultimately be an economic development play for the City. (<https://chickennpickle.com>)
- **“Smart City” Technology Investments.** As the old saying goes “the only thing is constant in the world is change.” As more and more people move into our City from other places in the country (and the world) attitudes about service delivery and local government leadership will transition. A growing number of residents will expect their local governments to stay ahead of the curve from a technology standpoint. An example of the kind of new ideas this change will entail can be found here: www.smartcitiesconnect.org



TRANSPORTATION

- As of March 2021, there were 533 electric and plug-in hybrid vehicles registered in Cabarrus County, 4,119 in Mecklenburg County, and 170 registered in Rowan County. This number is expected to grow as electric vehicle adoption becomes more mainstream.
- Electric vehicle manufacturers have made several announcements of new facilities recently, with a few being in North Carolina. As production and roll-out ramps up, electric charging infrastructure will need to keep up.
- Autonomous (driverless) vehicle technology is improving. The current focus is on automated trucks and delivery vehicles, which will likely first be deployed in dense urban areas. While widespread adoption may be at least a decade away, expansion of autonomous vehicles will be gradual and happen in specific use applications.
- With the growth of autonomous vehicles and ride sharing will come changes in land use patterns. Vehicles can drop off passengers and drive themselves to a remote parking area, reducing the need for onsite parking. Autonomous vehicles may provide individuals with the ability to work in their car, which may cause people to be willing to choose housing that is farther away from their offices. Fleets of shared vehicles may become more commonplace as people are willing to forgo individual ownership.
- Train travel in the Piedmont corridor may become more commonplace. NCDOT plans to have 10 total trains a day (5 each direction) between Charlotte and Raleigh. Under consideration is a Southeast High Speed Rail corridor that would connect DC to Atlanta and possibly down to Florida.
- As we consider potential transit models, the “last mile” of getting passengers to their ultimate destination may now have more options, including use of scooters, ride sharing, or bicycle stations. Planning for those options is an important component of transit planning.



Electric Vehicle Registrations, March 2021 (NCDOT)	Electric Vehicle Registrations, March 2021 (NCDOT)		Total EV	Population	EV/Population Ratio
	Electric	Plug-In Hybrid			
Cabarrus	368	165	533	227,304	0.0023
Mecklenburg	2,913	1,206	4,119	1,118,182	0.0037
Rowan	84	86	170	147,281	0.0012

TRANSPORTATION

2021 City Council Virtual Retreat

Numerous transportation projects and initiatives were explored as part of the 2021 City Council Virtual Retreat.

Most of these projects and initiatives need more discussion and definition. This should be addressed as part of this Strategic Planning process.

The projects emerging from the previous retreat are shown on the table below (the retreat ranking is in the left side column).

Highway and Traffic Improvements

14	North Loop Road Safety Improvements (reduction of 5 lanes to 3 + bike lines; separating people from vehicles)
19	Cannon Blvd/Mt. Olivet Intersection Improvements (pedestrian and vehicle safety, lane widening)
20	Enhanced Street Paving (above typical budget allocations - focused on street stabilization)
30	Vance Avenue/West Avenue Roundabout (facilitate better traffic flow in southern West Ave)
55	Oakwood Avenue Street Extension (Murphy Street to Bethpage Rd/Leonard Ave)

Sidewalks

21	Woodrow Wilson Sidewalks (various locations around the school)
31	Bethpage Road Sidewalk Phase I (Main Street to Klondale Ave)
32	Lane Street Sidewalk (I-85 to Cannon Blvd)
44	Rogers Lake Road Sidewalk (Dale Earnhardt Blvd to Irish Buffalo Greek Greenway - west of Oakwood Ave)
50	Sidewalk Repair and Replacement (above typical budget allocations)
52	Midlake Road Sidewalk (Brantley Rd to Centergrove Road)
53	Pine Street Sidewalk (Fred L Wilson to Ridge Apartments)
56	Pennsylvania Avenue Sidewalk (Mt. Olivet Rd to Dale Earnhardt Blvd)
57	Oakwood Avenue Sidewalk Phase III (Rogers Lake Road to Bethpage Rd/Leonard Ave)



OBSERVATIONS:

- From the 2021 retreat, there was lukewarm support for any of these projects. The North Loop Road Safety Improvements being the only project that was remotely a priority. City staff agrees with this assessment.
- On the surface, it appears time and energy supporting larger NCDOT transportation projects (previously described in this report) is a more productive position to take but this can be revisited as part of the strategic planning process if so desired.
- Most retrofit sidewalk projects require curb and gutter and drainage improvements which significantly elevates the cost.

TRANSPORTATION

Transit System Consolidation

Cabarrus County Transportation Services (CCTS) provides transportation for eligible Cabarrus County citizens. CCTS provides about 700,000 miles of service each year over more than 100,000 trips and utilizes a fleet of more than 20 vehicles. The CCTS mission is to provide transportation services that enable all eligible individuals to access necessary medical care and other resources that can improve and enhance their quality of life.

Discussion have occurred in recent years regarding the merging of CCTS and the Rider Transit system. There are several benefits to doing so:

- Improve efficiency and service delivery countywide
- More flexible staffing; improved workflow (i.e. – grants)
- Purchasing efficiencies
- Avoid duplication of services
- Improved trip coordination (local, regional)
- Potential financial incentives (NCDOT)
- “Seamless Service” – one fleet, call center, brand
- Improve service quality and customer experience

It appears that a formal merger study is tentatively planned for 2022 so this will be an element in the future operational design of the Rider system.



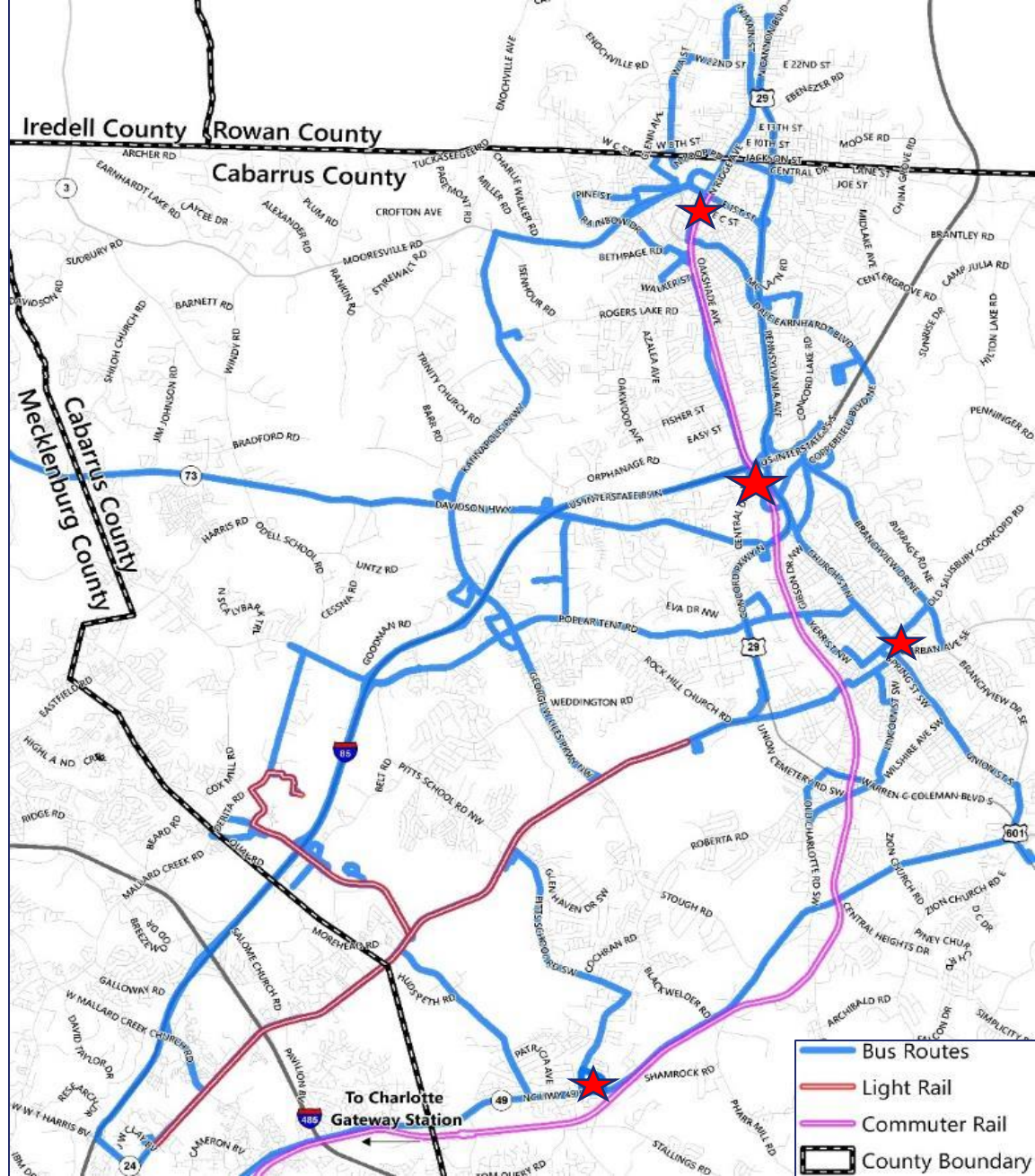
TRANSPORTATION

The 20 Year Public Transit Vision - Local

- One system Countywide
- No unserved areas
 - 21 bus routes
 - Countywide Demand Response
 - 3 new hubs
- Admin & Maintenance Facility
- 194 vehicles (108 Bus, 86 DR)
- 560 employees
- \$70.56M annual budget (Year 20)
- 6,400,000 to 6,900,000 passenger trips (no HCT)
- 15-minute frequencies = World Class Transit Service
- **20-year Investment: \$1.0 billion (\$800 million operating, 200 million capital).**

The 20 Year Public Transit Vision - Regional

- Regional High-Capacity Transit
- Bus Rapid Transit/Light Rail Corridors
- Commuter Rail
- **20-year Investment: \$1.5-\$4 billion**



TRANSPORTATION

Public Transportation in Cabarrus County and Kannapolis: A 20-year Vision



Major Service Enhancements

Year 1-3	Year 4-6	Year 7-8	Year 9-11	Year 12-14	Year 15-20
<p>Extend Hours of Service for Fixed Route Buses</p> <p>Initiate Consolidation of CCTS and Rider ID Vanpool Partners</p>	<p>Double frequency of buses</p> <p>Implement Countywide Demand Response Service</p>	<p>Increase Bus Routes (8)</p> <p>Establish true 30 minute service</p> <p>Open Downtown Concord and Kannapolis Hubs</p>	<p>Double frequency of bus service</p> <p>(15 minutes)</p>	<p>Increase Bus Routes (4)</p> <p>Open Harrisburg Hub</p>	<p>High Capacity Transit</p> <ul style="list-style-type: none"> • Bus Rapid Transit (BRT) • Light Rail • Commuter Rail <p>1 New Bus Route</p>

TRANSPORTATION

Potential Public Transit funding mechanisms

- Local funding
 - One-cent Sales Tax (non-rail)
 - Transit Oriented Development/Value Capture
 - Federal funding including FTI Capital Investment Grants
 - Formula funding
 - Discretionary funding
- State funding
- Public/Private partnerships



Dedicated Transit Revenue is Critical

A dedicated one-cent sales tax in the service area will generate an estimated \$783 million over 20-years.

Without this dedicated revenue stream the 20-year revenues are insufficient to achieve the vision:

FTA Formula Funding (1%) = \$49.9 million
NCDOT Funding (1%) = \$15.7 million
Rider Farebox (year of \$) = \$50.2 million
CCS Medicaid revenue = \$32.3 million
Estimated Total: \$147.3 million



ENVIRONMENTAL

- The United Nations Climate Change report just issued in 2022 presents a dire warning: without immediate and deep emissions reductions across all sectors, limiting global warming to 2.7 degrees Fahrenheit is beyond reach. Increased heatwaves, droughts, and floods are affecting millions of people across the globe, causing food and water insecurity and causing significant loss of life, biodiversity, and infrastructure failures.
- Local governments typically can influence climate change in five key areas:
 1. Buildings and energy – increasing energy efficiency of built structures and decreasing reliance on fossil fuels for energy.
 2. Land use and urban form – promoting compact development that preserves natural spaces, protects bodies of water and wildlife habitats, and promotes multi-modal transportation.
 3. Transportation and fuels – developing infrastructure and transportation systems that are multi-modal, offering public transportation options, and transitioning to renewable or more climate-friendly fuel sources.
 4. Consumption and materials management – developing programs and systems for the re-use and recycling of materials, conversion to fuel sources, and reduction of waste.
 5. Natural systems and community wellbeing – protecting and developing sustainable ways to use forests, open spaces, and waterways for public use.
- In addition, local governments can prepare for extreme weather events and future climate change by actions such as preventing development in flood-prone areas, having emergency plans in place, and reinforcing critical infrastructure.



OBSERVATIONS:

- Addressing climate change and environmental sustainability is not something that just happens. It takes deliberate policy-driven decisions.
- However, there are a wide range of commitments that can be made to meeting these environmental challenges.
- It is likely that a focus area exploring this topic will emerge as part of this strategic planning process. Ultimately a decision will need to be made; is Kannapolis going to transform itself into an environmentally conscious City or is that a matter for future discussion?
- The 2021 City Council Retreat contemplated the development of a Sustainability Plan to address these issues in a comprehensive way. That is one path forward with perhaps a Focus Group to develop the parameters for such an effort.

FUTURE TRENDS AND SHIFTS

Global/National Trends 2040 (Office of the Director of National Intelligence)

STRUCTURAL FORCES

DEMOGRAPHICS AND HUMAN DEVELOPMENT

Slowing global population growth and a rising median age will help some developing economies, but rapidly aging and contracting populations will weigh on many developed economies. Decades of progress in education, health, and **poverty reduction will be difficult to build on or even sustain.** Pressure for migration is likely to increase.

ENVIRONMENT

Climate change will increasingly exacerbate risks to human and national security and force states to make **hard choices and tradeoffs.** The burdens will be unevenly distributed, heightening competition, contributing to instability, straining military readiness, and encouraging political movements.

ECONOMICS

Several global economic trends, including rising national debt, a more complex and fragmented trading environment, the global spread of trade in services, new employment disruptions, and the continued rise **of powerful firms, are shaping conditions** within and between states. Calls for more planning and regulation will intensify, particularly of large platform, e-commerce corporations.

TECHNOLOGY

The pace and reach of technological developments will increase, transforming human experiences and capabilities while creating new tensions and disruptions for all actors. Global competition for the core elements of technology supremacy **will increase.** Spin off technologies and applications will enable rapid adoption.

EMERGING DYNAMICS

SOCIETAL

Many populations are increasingly pessimistic and distrustful as they struggle to deal with disruptive economic, technological, and demographic trends. Newly prominent identities, resurgent established allegiances, and a siloed information environment are exposing fault lines within communities and states, undermining civic nationalism, and increasing volatility. Populations are more informed and have greater ability to express their demands.

STATE

Governments will face mounting pressures from the combination of economic constraints; demographic, environmental, and other challenges; and more empowered populations. A growing gap between public demands and what governments can deliver will raise tensions, increase political volatility, and threaten democracy. The mismatch may also spur new or shifting sources and models of governance.

INTERNATIONAL

Power in the international system will evolve to include a broader set of sources, but no single state is likely to be positioned to dominate across all regions or domains. The United States **and China will have the greatest influence** on global dynamics, forcing starker choices on other actors, increasing jockeying over global norms, rules, and institutions, and heightening the risk of interstate conflict.

SCENARIOS FOR 2040

RENAISSANCE OF DEMOCRACIES

The world is in the midst of a resurgence of open democracies led by the United States and its allies. Rapid technological advancements fostered by public-private partnerships in the United States and other democratic societies are transforming the global economy, raising incomes, and improving the quality of life for millions around the globe. In contrast, years of increasing societal controls and monitoring in China and Russia have **stifled innovation.**

A WORLD ADRIFT

The international system is directionless, chaotic, and volatile as international rules and institutions are largely ignored. OECD countries are plagued by slower economic growth, widening societal divisions, and political paralysis. China is taking advantage of the West's troubles to expand **its international influence.** Many global challenges are unaddressed.

COMPETITIVE COEXISTENCE

The United States and China have prioritized economic growth and restored a robust trading relationship, but this economic interdependence exists alongside competition **over political influence, governance models, technological dominance, and strategic advantage.** The risk of major war is low, and international cooperation and technological innovation make global problems manageable.

SEPARATE SILOS

The world is fragmented into several economic and security blocs of varying size and strength, centered on the United States, China, the EU, Russia, and a few regional powers, and focused on **self-sufficiency, resiliency, and defense.** Information flows within separate cyber-sovereign enclaves, supply chains are reoriented, and international trade is disrupted. Vulnerable developing countries are caught in the middle.

TRAGEDY AND MOBILIZATION

A global coalition, led by the EU and China working with NGOs and revitalized multilateral institutions, is implementing far-reaching changes designed to address climate change, resource depletion, and poverty following a global food catastrophe caused by climate events and environmental degradation. Richer countries shift to help poorer ones manage the crisis and then transition to low carbon economies through broad aid programs and transfers of advanced energy technologies.

FUTURE TRENDS AND SHIFTS

Technology

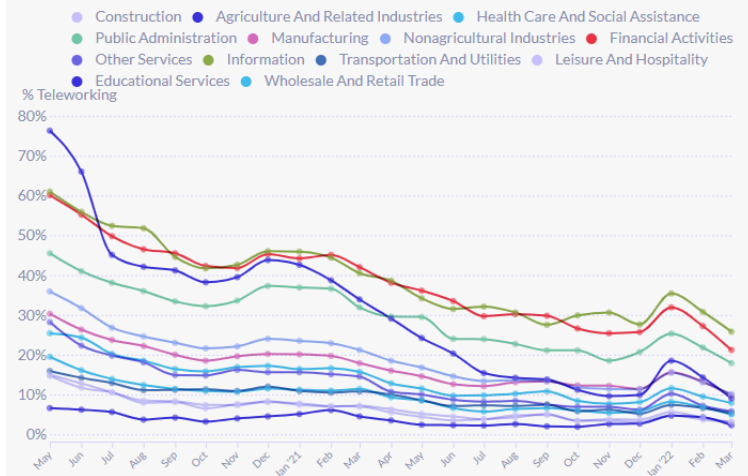
- **Remote work** is here to stay. An estimated 37% of desks will remain empty. Hybrid and virtual work are the expectation. However, the need for offices will not go away; it will adjust to be more flexible and focused on collaboration, connection,
- Use of **drones** will continue to increase and advance. Holly Springs, NC is a test community for Flytrex, who will deliver food orders from restaurants to homes via drone. Closer to home, Kannapolis is home to Zipline, the world's only national scale, on-demand drone logistics service. Its mission is to provide every human on earth with instant access to vital medical supplies.
- **Vertical farms** are expected to grow to a \$10 billion industry as demand for year-round, local produce grows. The City has seen inquiries from companies interested in setting up storage containers and warehouses that are outfitted with irrigation and the power necessary for climate control and artificial light.
- **Metaverse** is coming! KPMG put out a Spring 2022 report to discuss near and future trends in the evolution of experiences where virtual and physical worlds blend through socializing, gaming, shopping, fitness, education, working, and entertainment.
- **Electric vehicles** are a growing part of the transportation market, not just for personal automobiles, but for company fleets. Greensboro-based Volvo Trucks North America just received its largest electric truck order to date. Amazon has ordered 100,000 electric trucks from Rivian.
- Use of **artificial intelligence** is continuing to grow, affecting the way businesses operate and how we live and interact with each other. Our workforce must continue to adapt to be able to use, develop, and troubleshoot AI technology.



Percent of workers teleworking by industry

Last updated April 2022

Industry
Industry



Note: Not seasonally adjusted >

Source: [BLS Covid-19 Effects](#)>

By DATAHERALD
[Explore this data](#)



FUTURE TRENDS AND SHIFTS

Regional/Local

- Atrium Health and Wake Forest Baptist Health have combined to operate as a single enterprise. A second campus of **Wake Forest School of Medicine** will be located on a 20-acre site in midtown Charlotte, at the current corner of South McDowell Street and Baxter Street, adjacent to US-277.

Based on a recently commissioned economic study by Tripp Umbach, the new school of medicine and the anticipated spin-off activities – in healthcare and other economic development – is projected to generate an additional \$5.2B in economic impact and create nearly 43,000 jobs over the course of the next 20 years.

- The two medical school campuses in Winston-Salem and Charlotte will create a new, preeminent **regional corridor for health technology and innovation**. Convening the surrounding academic, healthcare, government and business communities, the corridor will focus on improving health by bringing new medicines and treatments to patients in half the time and advancing economic equity.
- **IRCAD**, a French-based research and training institute for surgeons announced that the new innovation district in Charlotte will be the site of its North American headquarters. They will train physicians from around the world in minimally invasive surgery techniques, using robotics, virtual and augmented reality, artificial intelligence, and simulation training.
- The recent announcement of global pharmaceutical company **Eli Lilly**'s plans to construct a \$1B manufacturing campus in Concord has changed the landscape of economic development in Cabarrus County and to some extent, the Charlotte region. The campus will generate nearly 600 new jobs with an average wage of over \$70,000. The NCRC was the first attempt to create a bio-pharma economic ecosystem in the region. Eli Lilly takes this to a new level.



Eli Lilly

- **Announcement:** January 28
- **Local Hearings:** February 10
- **Investment:** \$1Billion
- **Jobs:** 589
- **Wages:** \$70,555
- **Project Timeline:** Break ground in March

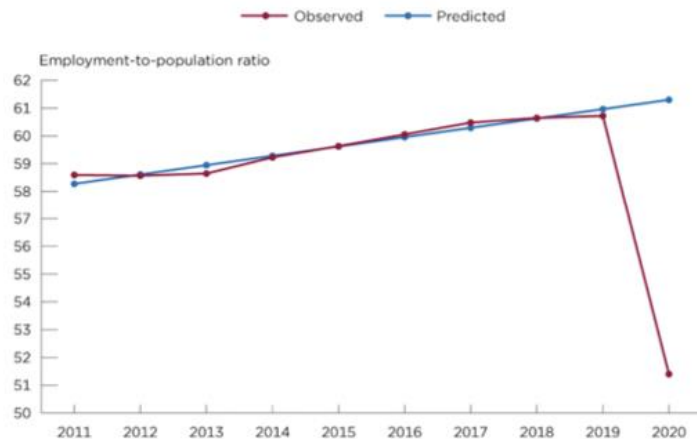


COVID-19 & THE NEXT PANDEMIC

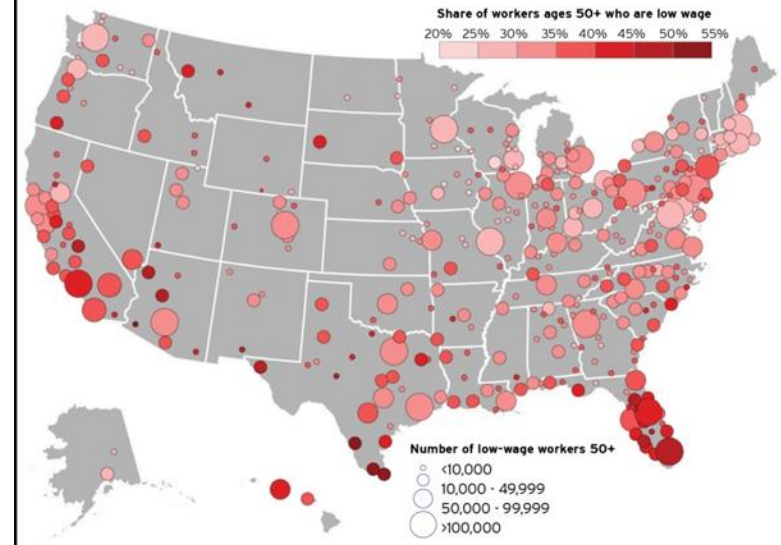
- Nearly 80 million cases of Covid have been recorded in the United States since March 2000. 977,000 have died of the disease; 23,000 in North Carolina.
- 65% of the U.S. population is fully vaccinated (29% vaccinated + boosted). These numbers are 60% and 15% in North Carolina.
- Pandemic erased more than ten years of consistent employment growth in the U.S. although this is rebounding rapidly.
- Schools are playing catch-up on learning loss by students who struggled with virtual learning and other social/developmental impacts of Covid.
- "Grey Tsunami" retirements slowed down.
- Retail sector as we knew it for the past century changed – likely permanently (“Amazonificaton”).
- A new way of K-12 and College education emerged – with mixed success



U.S. Share of Population Working Full-time or Part-time: April 2011-2020



Share of workers who are age 50 or older in US metropolitan areas



COVID-19 & THE NEXT PANDEMIC

Additional Long-Term Impacts

- Log jam supply chain.
- Increased construction costs
- 40-year high inflation/Increasing Interest Rates/Impact on Borrowing Money for Capital Projects.
- Underemployed/Labor Shortage/Increased Wages
- Change in work habits: Work From Home (WFH)/Telecommuting.
- Emptying out of "superstar" cities and decentralization of the country's hypercentralized urban map/tech communities continue to grow.
- Employers become more responsible for mental health/social well-being.
- Rapid decline of microbusinesses (1-9 employees; Represent 45% of national employment but accounted for 62% of pandemic job losses)
- Creation of entertainment hubs for WFH employees to rebuild social networks and reprieve from work (restaurants, bars, gyms).
- Unprecedented Digital Acceleration: Cybersecurity, Webinars, Collaborative Cloud Software, Continued Reliance for Online Platforms, Need for improved broadband access.
- Smaller tradition sit-down-and-eat restaurants/Creation of "Experiential Dining" (Unique locations, new concept kitchens, performance meals).
- Rise of Pop-up kitchens ("Ghost Kitchens") – No front of house or seating. Reliance on delivery services alone or take-out. More mobile and food truck demand.
- Accelerated transition from traditional media/advertisement/network television to online social media/streaming services/e-commerce
- Elimination of long-term commercial leases in single-use buildings: Pop-ups in flex space, profit-sharing leases will take over (helps with startup businesses and encourages landlords to invest in their tenants' success).



GENERAL PROJECTIONS

Kannapolis 2043.....

As this strategic planning process comes to its conclusion in early 2023, it is fascinating to think that this will occur on the 20th anniversary of the closing of Pillowtex. How fast 20 years has flown by.

What does the Kannapolis of 2043 look like? The reality is, some of that may be decided by influences outside of local control. However, much of what the City looks like in 20 years will have roots in decisions made during this planning process.

Some near certainties:

- Kannapolis will be a City of between 75,000 and 100,000 population, perhaps larger.
- Cabarrus and Rowan counties will together have a population between 500,000 and 600,000. Guilford County, NC (Greensboro) and Greenville County, SC are currently in this population range.
- The Charlotte Region will have a population of between 3.5 and 4 million (about the size of the Seattle metro area today). The Triangle, Triad and Charlotte regions together will represent at least 8 million of the State's projected 12 million population.
- The City's Hispanic population will exceed 20,000 residents. The non-Hispanic white population will likely be no greater than 40% of the total population.
- For a variety of reasons, the percentage of rental-occupied dwellings in Kannapolis will grow significantly.
- High speed rail will connect Charlotte with the Triad and Triangle with a minimum of 10 daily trains (up from 6 today) with the Charlotte to Raleigh trip taking less than 2 hours which dramatically changes the travel patterns between the two cities



GENERAL PROJECTIONS

Kannapolis 2043.....

Some interesting possibilities:

- Midway and North Kannapolis are vibrant, lively mixed-use districts OR it is a long abandoned commercial district that has spread urban decay to other nearby residential areas.
- Downtown Kannapolis is home to more than 3,000 highly paid employees and more than 5,000 people call Downtown Kannapolis home. No land within “the loop” is available for new development.
- Kannapolis becomes two distinct cities, not geographically divided by the proverbial “railroad tracks” but socio-economically separate where poverty-stricken households exceeds 20% of the City but significant wealth and prosperity is also scattered among residents throughout the City.
- Almost 100% of the City's vehicle fleet is electric or alternative fuels driven. Robotics, drones and artificial intelligence perform most routine tasks .
- The City is part of the start of a regional transportation system that provides alternatives to car travel, as multiple generations of residents are looking at being less dependent on automobile ownership.
- For those that still own vehicles in the City many will be autonomous (driverless). Significant public investment will have been expended to facilitate such new transportation methods. Parents will routinely put their kids in the driverless vehicle to drop them off at day care or soccer practice.
- NCRC is a thriving hub of public and private companies, borne out of a new vision that includes health related research as well as other types of commercial and residential uses.

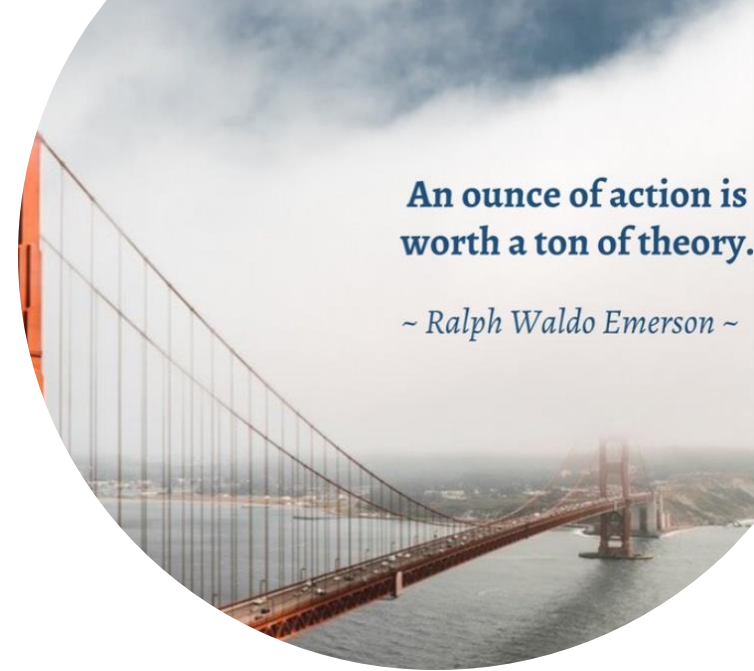


A 2050 Charlotte Skyline?

MOVE KANNAPOLIS FORWARD 2030 COMPREHENSIVE PLAN

In the Appendix of this Report is a list of 35 plans and studies that have been completed over the past 20 years. It is not an exhaustive list. These plans serve as a good foundation for this strategic planning process. One of the most important plans is the Move Kannapolis Forward 2030 Comprehensive Plan. The following are some of the more prominent ideas included in that plan. Some of these are addressed elsewhere in this Report; many will find their way into the final Imagine Kannapolis Strategic Plan.

- Develop Small Area Plans with intentional results
- Incentivize growth in targeted growth areas
- Conduct and Implement corridor studies on key City gateways and corridors
- Adopt standards for infill and redevelopment in existing neighborhoods (which we are encouraging through wastewater allocation)
- Establish rental program to better enforce minimum housing
- Update NCRC plan with future owner
- Consider Parks & Recreation Master Plan as part of CIP (this could include some system of trails and accessibility with Lake Howell connecting east and west Kannapolis)
- Partner with nonprofits to expand health program access
- Enhance platform for information-sharing for overall development progress/impacts.
- Promote a sustainable growth pattern and encourage a greener built environment
- Create a program to incentivize, capture, and reuse rainwater
- Foster citizen retention through enhanced amenities and services



**An ounce of action is
worth a ton of theory.**

~ Ralph Waldo Emerson ~

J. APPENDIX



RELEVANT PLANS & STUDIES

1. Weaving a Shared Future Strategic Plan (2001)
2. Economic Development Strategy (2003)
3. Centerview Small Area Plan (2004)
4. NC 73 Transportation/Corridor Land Use Plan (2004)
5. Midway Corridor Revitalization Plan (2005)
6. Kannapolis SWOT Analysis (2006)
7. NCRC Economic Impact Analysis (2006)
8. Walkable Community Blueprint (2007)
9. Entrepreneur System Assessment (2007)
10. Entrepreneur Action Plan (2007)
11. NCRC+Existing Business Needs Assessment Report (2008)
12. Regional Workforce Assessment Report (2008)
13. K-12 Education Assessment Report (2008)
14. Education and Workforce Development Action Plan (2008)
15. Old Carver School Area Vision Plan (2009)
16. Carver Neighborhood Plan (2010)
17. Center City Master Plan (2011)
18. Cabarrus Small Business & Entrepreneurship Action Agenda (2012)
19. Kannapolis Economic Development Plan (2012)
20. Downtown Market Study – Existing Conditions (2013)
21. Downtown Market Study - Strategy (2014)
22. Kannapolis Bicycle Plan (2014)
23. Parks and Recreation Master Plan (2014)
24. Downtown Master Plan (2017)
25. Downtown Connectivity Plan (2017)
26. Downtown Kannapolis Vision Book (2017)
27. Farm Hill Small Area Plan (2018)
28. Main Street Vision Book (2018)
29. West Avenue Public Art Plan (2018)
30. Downtown Parking Plan (2018)
31. Gem Theatre Master Plan (2019)
32. Move Kannapolis Forward 2030 Comprehensive Plan (2020)
33. Affordable Housing Market Study (2020)
34. Midway Corridor Analysis (2021)
35. Cannon Boulevard Corridor Plan (2022)

