

Brownfields Success Story

Refashioning Hickory's Historic Textile Mills *Hickory, North Carolina*

Anyone traveling down Lenoir Rhyne Boulevard in southeast Hickory, North Carolina may notice two renovated historic landmarks—the Hollar Hosiery Mills–Knit-Sox Knitting Mills and Moretz Mills. Hosiery production contributed significantly to Hickory's emergence as a leading manufacturing city in the early 20th century, but the industry has declined steadily since the early 1990s. Most of the hosiery mills in Hickory have shut down, including Hollar and Moretz Mills.

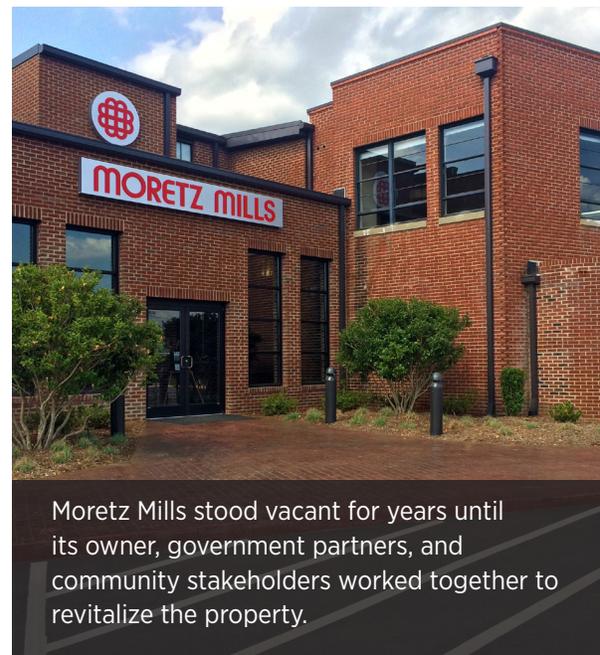
In the late 2000s, the city, Lenoir-Rhyne University, local developers and other community stakeholders began working together to coordinate redevelopment plans for properties along the boulevard. City planners wanted to make Hickory's major gateways and transportation corridors more functional and aesthetically pleasing. The mills also were targeted for redevelopment under the city's Operation: No Vacancy program, which encourages the reuse of vacant or underutilized buildings within a designated urban revitalization area.

"The program stimulates economic development and preserves neighborhood aesthetics while protecting the natural environment," says Brian Frazier, the city's planning and development director. "We wanted to restore these important landmarks to use again."

The Opportunity

The U.S. Environmental Protection Agency (EPA) awarded \$400,000 in Brownfield Assessment Grants to Hickory in both 2007 and 2012 to conduct Phase I and II environmental site assessments and develop property reuse plans that included the two vacant hosiery mills. Property owners could better market the sites for reuse, while cleaning up neighborhoods, creating jobs and increasing the tax base.

The city also awarded redevelopment funds for both properties under its Vacant Building Revitalization and Demolition Grant program, which



Moretz Mills stood vacant for years until its owner, government partners, and community stakeholders worked together to revitalize the property.

EPA Grant Recipient:

City of Hickory, North Carolina

Grant Type:

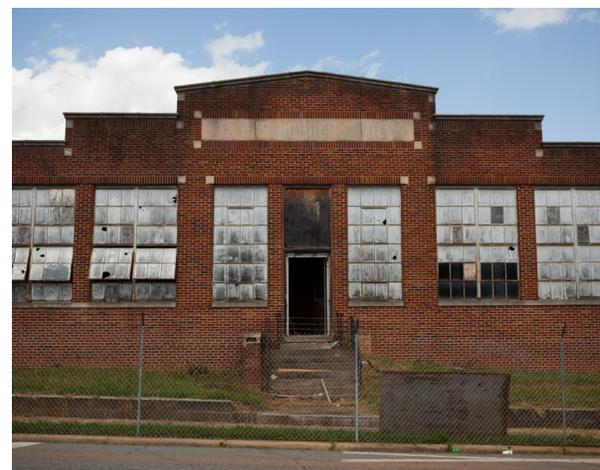
Brownfield Assessment Grant

Former Use:

Hosiery Mills, Storage Space

Current Uses:

Restaurant and Other Food Service, Event Venues, Fitness Center, Office and Retail Space



Originally built in the 1930s, Hollar Mills was the home of various textile and other operations before shutting down in the 1990s.



Hollar Mills is now home to restaurants, retail shops and a 10,000-square-foot event venue that can accommodate 600 guests.

“ These buildings represent the history of Hickory and provide a foundation for us to build upon. Now potential developers come to the city to pitch ideas and plans to us, instead of the other way around. ”

*David Leonetti,
Community
Development Manager,
City of Hickory*

prioritizes suspected brownfield sites. Both sites also received state and federal historic preservation tax credits and state mill tax credits, and the North Carolina Rural Infrastructure Authority awarded the city a Building Reuse Program grant to support the reuse of the Moretz Mills building.

Assessment, Cleanup and Redevelopment

Hollar Mills underwent a Phase I environmental assessment in 2009 and a Phase II assessment shortly thereafter. The assessments revealed some contaminated materials, which were either removed from the site or encapsulated under pavement. In early 2012, a local developer announced plans to convert the space into a mixture of restaurants and retail. A local construction company oversaw the restoration and, after a full interior and exterior renovation, the site reopened in 2013. Hollar Mills now hosts an organic, farm-to-table restaurant and an events venue, a frozen yogurt store, and a brewery. Future plans include a bike store and specialty gift shop.

The successful redevelopment of Hollar Mills gave John Moretz, owner of Moretz Mills, confidence to ramp up his own project. A Phase I environmental assessment at Moretz Mills revealed asbestos, lead paint and minor soil contamination. Remediation included encapsulating parts of the sidewalk and parking lot. A Phase II environmental assessment did not reveal any issues requiring remediation. Renovations were complete in fall 2014. The \$14 million redevelopment included purchasing an adjacent property; interior demolition; a new staircase and roof; new doors, windows and lighting; updated heating, ventilation and air conditioning equipment; and new electrical wiring, sprinklers and insulation. The project also involved extensive interior design, décor and landscaping, as well as a new parking lot, gutters and stormwater retention facility. Today, Moretz Mills is about 90 percent occupied and houses a fitness center, a 12,000-square-foot event venue, and retail and office space.

“It’s been awesome to see these buildings gain new life,” Frazier says, “and to see the revitalization and preservation of Hickory’s historic mills.”

The Benefits

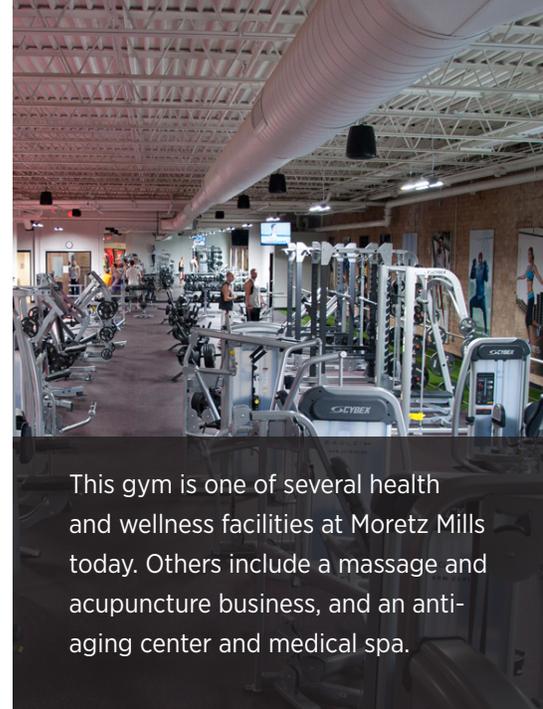
Redeveloping the mills has not only improved aesthetics in the city, but also has created places where workers and businesses want to locate, invest and expand. At Hollar Mills, more than 200 jobs were created during construction, and the restaurant and event venue support 100 jobs, including for kitchen and waitstaff, event planners and valet drivers.

Redevelopment at Moretz Mills created 150 temporary construction jobs, and most of the employees currently working in the 50 professional services jobs at the facility live in Hickory or nearby. More than 190 office and e-commerce jobs are slated for Moretz Mills over the next three years and are expected to pay at least 25 percent more than the average wage in Catawba County. And a software company plans to invest an additional \$400,000 in Hickory over the same period.

Both sites are generating tax revenue, as well. Hollar Mills is expected to generate more than \$16,000 in annual property tax revenue for both the city and the county. Moretz Mills could generate approximately \$30,000 per year in both city and county tax revenue.

These projects also have helped spur additional development in the area, including the Lenoir-Rhyne University Physician Assistant Program building currently under construction, and the Transportation Insight Corporate Campus, a 30-plus-acre redevelopment project to build the company's headquarters.

"The redevelopment of these mills has opened up this corridor of Hickory in a way that we've never seen before," Frazier says. "It's really something special for the area."



This gym is one of several health and wellness facilities at Moretz Mills today. Others include a massage and acupuncture business, and an anti-aging center and medical spa.