



Town of HOLLY RIDGE

PO Box 145 * Holly Ridge, NC 28445 * Phone (910) 329-7081 * Fax (910) 329-1593

HOLLY RIDGE TOWN COUNCIL REGULAR MEETING

April 9th, 2024
6:30 P.M.

Mayor Jeff Wenzel called the Regular Meeting of the Holly Ridge Town Council to order at 6:30 p.m. at the Holly Ridge Town Hall. Council members present were Councilman Hines, Councilwoman Stanley, Mayor Pro-Tem Patti, and Councilman Misciagno, and Councilman Parnian. Also present were the Town Manager, Heather Reynolds; Deputy Clerk, Tracy Martin; Finance Director, Major Waddell, and Attorney Kyle Fountain.

Invocation and Pledge

Pastor David Hildebrand – Victory Baptist Church Holly Ridge gave the Invocation and Mayor Wenzel led the Pledge of Allegiance.

Adoption of Agenda

Manager Reynolds said under New Business we need to remove Item C.

A motion was made by *Mayor Pro-Tem Patti and* seconded by *Councilman Hines* to adopt the agenda as amended. *All Agreed.*

Persons Wishing to Address the Council

Ken Bradshaw 134 Beacon Woods Drive said he lives at the Towns of Holly Ridge and there is no ingress for them, and you don't tap your brakes before you get there, you are going to get smacked. Mr. Bradshaw said the Department of Transportation takes care of Highway 17 and they will be installing a new light at the new Evolve development. Mr. Bradshaw asked if the timing is right, maybe the Towns of Holly Ridge could ask for an ingress for its sixty-unit development. Mr. Bradshaw said he hopes this happens before a bad accident happens.

Town Manager Report

Manager Reynolds said the Police Department has ramped up patrol on Highway 17 due to complaints we have received from the Sheriff's Department and citizens about excessive speed and careless and reckless driving. In the last month the Police Department along with other jurisdictions that participate in the Governor Highway Safety Program have run two speed campaigns over the last month to help reduce speeding. On average one hundred citations were issued

Manager Reynolds said the Basic Law Enforcement training classes are graduating and we have had a lot of interest in some of the graduates wanting to come to Holly Ridge.

Manager Reynolds said in Sage's Ridge, the Town took over those streets and put up no parking signs months ago. The residents of Sage's Ridge have had plenty of notice and the Police Department started parking enforcement in the neighborhood this week.

Senior games with Onslow County have their opening ceremony this Saturday at 8:00 a.m. at Southwest High School.

Bee Festival is still ongoing, and the Miss Queen Bee Pageant is this Saturday at 1:00 p.m. in the Holly Ridge Community Center.

The Egg Hunt was a success and Manager Reynolds thinks by having it on a weeknight, it was the largest turnout we have had in several years. Manager Reynolds said there has been discussion of moving the egg hunt permanently to a weeknight in the future.

Manager Reynolds said we had some discussion with the Town Council about scheduling the Budget Workshops and Manager Reynolds asked the Town Council if they would like for Staff to put together a budget based on the initiatives from the Budget Retreat and then go from there versus our normal procedure.

Mayor Wenzel said normally we would have the department heads come and give a presentation and then the Town Council would outline priorities and then staff would put together to present to the Town Council.

Mayor Pro-Tem Patti said he needs something to work with personally. Mayor Pro-Tem Patti said it would be a good idea to have a budget proposal to look at and then move from there. Mayor Pro-Tem Patti said there is no reason why the department heads can't give everything to Manager Reynolds and the Town Council can take it from there.

Councilman Hines asked why we had the department heads do this is because the Town Council could ask them specifically why you need this and not go through the Town Manager. Councilman Hines said the Town Council will also give her projects we wanted and not just the ones we did at the retreat. Councilman Hines said if there was something else, we wanted like a tax decrease that would be included for consideration.

Mayor Pro-Tem Patti said we passed along in many ways of communication. Not just live. We can say this is what we are thinking via email or phone call. Mayor Pro-Tem Patti said he would like a budget proposal and then we can move on from there and start picking and choosing. Mayor Pro-Tem Patti said otherwise we have all these meetings, and we are going to hear everything for the first time and then we must process it and figure out what to do.

Manager Reynolds said in the first meeting we do not have a proposed budget to present. Manager Reynolds said that is why she is asking if the Town Council would like to move forward is staff putting it together based on our thoughts and initiatives. Manager Reynolds said we were waiting for the new Town Council member to be seated and Manager Reynolds would like directions on how we are going to move forward so we make our June 30th, 2024, deadline.

Councilman Misciagno said he is with Mayor Pro-Tem Patti on this one. Councilman Misciagno said bring us the vision that you are looking for based on the SWAT. Councilman Misciagno said the Town Council will have their priorities in order based on the meeting that the Town Council spent that day doing. Manager Reynolds will add or take away as see fit and the Town Council will have their priorities based on their Swat Day for the year aside. Councilman Misciagno said he does not need to be a part of the four-hour process for every meeting because it has already been discussed. Councilman Misciagno said he had rather Manager Reynolds consolidate with the department heads and then bring us based on the Swat.

Councilwoman Stanley said she is fine to bring it to the Town Council first.

Councilman Parnian said he would be happy to participate if we need help of if the team needs guidance. Councilman Parnian said developing the budget is a complex process and Councilman Parnian is happy to provide his experience.

Mayor Wenzel said there is enough support so please go ahead and develop one for the Town Council.

Mayor Pro-Tem Patti asked how the search for the Grant Writer is coming along. Manager Reynolds said there have been no applications received thus far. Mayor Pro-Tem Patti said we are missing something, so we need to change something. Mayor Pro-Tem Patti said maybe we should offer remote work or flexibility.

Councilman Hines said he does not want Holly Ridge to get like it was a couple of years ago when we were known as a speed trap. Major Waddell said whenever the Police Department does the campaign, we do not use any of the officers that are on patrol at that time. The officers that are involved in the campaign are officers from other towns that come in and officers that come in on their off time to work on the campaign.

Consent Agenda

A. Approval of the Following Minutes

- November 21st, 2023, Special Meeting
- January 16th, 2024, Special Meeting
- February 13th, 2024, Regular Meeting

B. Department Head Reports

- Finance Department
- Fire Department
- Police Department
- Planning & Zoning Inspections Report
- Parks and Recreation
- Grants Report

C. Committee Reports

- Planning Board
- Board of Adjustment
- ONWASA
- Busy Bee Committee
- Eastern Carolina Council (ECC) of Government

D. Appointment of Dave Mosey to the Planning Board as a Regular Member for a Term of Three Years.

Councilman Hines requested that the ONWASA report be removed from the Consent Agenda.

A motion was made by **Councilman Hines** and seconded by **Mayor Pro-Tem Patti** to approve the Consent Agenda. **All Agreed.**

Mr. Mosey was unable to attend tonight's meeting. Staff will administer the Oath of Office to Mr. Dave Mosey at a later date.

ONWASA Report – Councilman Hines said Jacksonville Onslow Economic Development was in the process of purchasing property from ONWASA on Highway 50 or also known as the Wachovia Tract. Manager Reynolds, Mayor Wenzel and Councilman Hines had the idea that it would be annexed into the Town. Councilman Hines said the attorney drew up a separate offer to buy contract that said if they purchased it, they would annex into the Town.

Councilman Hines said at the ONWASA Board meeting no one from Jacksonville Onslow Economic Development showed up so it was one of those things where we did

not know if Jacksonville Onslow Economic Development agrees or not. Councilman Hines said this didn't pass so no one was there to say anything about the contract whether they agreed with that or not, the Town Council had to go with what they originally had. Councilman Hines said he does not know if we are going to annex into the Town or not.

Councilman Hines said the Summerhouse plant is going to be updated and should be completed in September or October.

Councilman Hines said the force main that goes from Holly Ridge to the Sneads Ferry plant which is the old Pluris plant that ONWASA purchased is on the design stage and when that is completed, there will be more capacity for the Town.

Councilman Hines said there was a customer survey, and it was done with all the sites that ONWASA has and 80% said ONWASA's customer service was helpful. Councilman Hines said the question was about complaints or concerns understood by staff and 89% said they were. Councilman Hines said the overall experience with customer service was very positive and that was 82% and waiting time to speak with someone was 52% and 31% had no comment either way.

Councilman Misciagno said the Wachovia Tract on Highway 50 is it contractually to be not part of the annex right now and we are asking for it to be annexed in. Councilman Hines said the CEO, Mark Sutherland said their intent was to annex into Town like they told us. Councilman Hines said the contract was screwed up where that would be the stipulation. Councilman Misciagno asked if the contract does say annex and Councilman Hines said not the one that passed because there was no one there to speak on Jacksonville Onslow Economic Development's part to say yes, we agree to that.

Mayor Pro-Tem Patti asked if this would come up again. Councilman Hines said no, it would be when the Jacksonville Onslow Economic Development wants to annex into the Town. Councilman Hines said Mark Sutherland told him they do not know who will be on the board in five years and they may not want it annexed into the Town.

Councilman Misciagno asked how big the Wachovia Tract is. Councilman Hines said he thinks the whole thing is 3000 acres, but they are getting 900 Councilman Hines thinks. Councilman Misciagno asked Manager Reynolds if this is a surprise to her. Manager Reynolds said Jacksonville Onslow Economic Development had done a smaller portion of the Wachovia Tract to begin with and Manager Reynolds said she believes Mayor Wenzel was involved in that.

Mayor Pro-Tem Patti does not understand if Jacksonville Onslow Economic Development had this intention, why they flipped it off. Mayor Pro-Tem Patti asked if it was by word of mouth.

Mayor Wenzel said to be fair to Jacksonville Onslow Economic Development this was a request from the Manager Reynolds and himself a day or two before the ONWASA meeting. Mayor Wenzel said they were trying to solidify that this would happen. Mayor Wenzel said just from his experience with the ONWASA Board, they typically know what is coming in a week before the meeting. Mayor Wenzel said we did kind of spring it on them as far as being on the contract.

Mayor Pro-Tem Patti asked if this is our intention, why would we not bring this up again? Councilman Hines said there is nothing for us to bring up. We can't force anything. Councilman Hines said we can ask them again to do it, but we were led to believe that that is what they were going to do. Councilman Hines said they will need us if they start to do it because they are talking about a big project over there. Councilman Hines said that was one of the things about it were they going to deal with the County or were they going to deal with the Town of Holly Ridge.

Mayor Pro-Tem Patti asked if ONWASA brought up the intention first. Councilman Hines said no the Town brought it to put it into the contract. Councilman Misciagno said but the contract was already written not to be annexed. Councilman Hines said there were two contracts written and the second one was presented at the meeting. Mayor Pro-Tem Patti asked how old the first contract was. Councilman Hines said the first one a month or two ago. Councilman Hines said the first tract was already done. This is the second tract.

Manager Reynolds said there were reasons to ask for that. Manager Reynolds asked Councilman Hines if there was a reason the ONWASA Board would not table this item. Councilman Hines said he thinks the time frame they did not want to keep extending it on and on.

Councilman Hines said there is an easement that is given to the Town on a road going in there. Manager Reynolds said it is not written anywhere contractually. Councilman Hines said he thinks it would be to their advantage to annex in the Town, we can not make them and ONWASA is not going to change their mind.

Old Business

Discussion and Possible Action to Appoint Members to the Ordinance Review Committee

Wes MacLeod – Director Local Services Director - Cape Fear Council of Governments

said the Town has reached out to him on several occasions about some initiatives that we have. Mr. MacLeod said he is here to see what exactly it is we are trying to accomplish.

Manager Reynolds said the ordinance committee has evolved over the last several months. We were originally thinking it would be members of the Planning Board working on the Land Use Plan and some of the larger updates. The committee would be made up of more public

citizens. There is a learning curve when we talk about working with citizens that don't have the background.

Manager Reynolds said she believes Mr. MacLeod can speak to that and how this process typically works with ordinances and the Land Use Plan update.

Mr. MacLeod said there are three components here. There is a general code of ordinances which are things like nuisance ordinances. Mr. MacLeod said he knew we were going to talk about the sale of animals and those are ordinances that are established by the Town Council. The Planning Board does not have a role in those unless there is a planning or zoning aspect of them.

Mr. MacLeod said there are a couple of codes that are specifically related to how the Planning Board functions with the Board of Adjustment. Then there are the development related codes which are the building codes, zoning codes and the subdivision codes. These are all mandated by State Statute and things that we can or can not do as a local government as it relates to what someone can do with their land. The Planning Board has a role in those proposals, statutorily, anytime there is going to be a modification to the ordinances before it comes to the Town Council for approval.

Mr. MacLeod said the Land Use Plan is not an ordinance, it is not a law, it is just guidance. That guidance is drafted with the input of our citizens. This is largely what Holly Ridge wants to be in terms of its growth patterns. Mr. MacLeod said that is our formal policy document for Land Use related decisions. Anytime there is a rezoning that comes before the Town Council, staff, the Planning Board will evaluate that proposal as it relates to that Land Use Plan.

Mr. MacLeod said when you get into procedurally, how you go about updating those, all those three documents depending on the local government, you can task the Planning Board with handling any of those tasks for updating those ordinances or creation of Land Use Plan. Mr. MacLeod said you can establish an ad hoc committee comprised of a couple of planning board members and citizens at large. Mr. MacLeod said whenever you do that, you are adding an additional step. Not only do you have to bring folks up to date on what you are doing, they go through and evaluate everything, then the Planning Board and then the Town Council.

Mr. MacLeod said he helps local governments and provides guidance. Mr. MacLeod said he is not the policy maker; he is like the referee that helps craft the ordinances.

Councilman Parnian asked how other cities do this. Is it based on size that create communities and Planning Boards? Mr. MacLeod said it is up to each local government. Mr. MacLeod said for example he helped Surf City recently with their Land Use Plan and they tasked their Planning Board with that tax. They did not establish another committee.

Councilman Parnian asked what the best practice is. Mr. MacLeod said from a consultant standpoint often it is much simpler to work with an existing board.

Mayor Pro-Tem Patti said when he brought this up in December, his original thought was for the ordinance review committee to be like a sub-committee to the Planning Board. If the ordinance review committee can take the time to go through everything and pass it to the Planning Board because the Planning Board is going to have other things on their plate.

Mayor Pro-Tem Patti said he thinks the review committee needs to have some procedural guidance on what to do. Mayor Pro-Tem Patti said again he was thinking it was more of a subcommittee not in conjunction with the Planning Board to make recommendations to move towards the Town Council for decisions. Mr. MacLeod said the key would be what is the directive they are after.

Mr. MacLeod said this must be directed and it needs to be a goal associated with it. Mayor Pro-Tem Patti asked how it has been directed in your experience. Mr. MacLeod said you can go through zoning and review it and Mr. MacLeod can point things out. Mr. MacLeod said he would talk with the town if he was to handle this, he would have to review all the ordinances and point out to the committee members what each ordinance does.

Councilman Misciagno asked Mr. MacLeod if what he is recommending is for Mr. MacLeod to work with the Planning Board and not recommend an ad hoc committee and any changes that would be done will be handled by staff and then it can roll up to the Planning Board then up to Town Council.

Mr. MacLeod said he would love to do this but part of that also needs direction and the consensus on what it is we are after. Mr. MacLeod said you usually embark on the Land Use Plan process first because that initiates what it is that you should go about changing. The Land Use Plan process will tell you these things are important to our citizens.

Councilman Misciagno said we could use guidance as a Town from a consultant to help with making sure we are matching our cohorts in other towns and growing the right way.

Mayor Pro-Tem Patti asked if all ordinances point back to the Land Use Plan. Mr. MacLeod said no the Comprehensive Land Use Plan is largely related to land use and development, but there are other aspects related to infrastructure, recreation, things that are holistic in town. The Land Use Plan does not get into nuisance vehicles or selling animals.

Manager Reynolds asked Mr. MacLeod to go over the differences in a stand-alone ordinance and a UDO and what that means. Mr. MacLeod said a UDO is where you would consolidate all your development related codes such as your primary one's zoning, and your sub-division ordinance. You would also do the procedures for how those boards operate. Mr. MacLeod said that would all go into one document. There would be one holistic document related to development and it would be called a unified development ordinance. It has one set of definitions, and you could potentially place your flood ordinance in there as well.

Manager Reynolds said there are benefits to a UDO especially for people we do business with such as citizens, contractors, and developers because they are looking in one place for one document. Manager Reynolds said if you pull the land use ordinance that pertains to the development of our code of ordinances you are not left with a big bulk. This may leave the ordinance review committee something that is more manageable so they can look at all the other ordinances and go through those.

Manager Reynolds said the ordinance review committee could focus on ordinances that are not land development related. This would make it more manageable for citizens. Manager Reynolds said there could also be some type of vehicle or process where developers, builders, and citizens can submit recommendations on how to make things more friendly.

Mayor Pro-Tem Patti said it sounds like there is some expertise and that was his point. Mayor Pro-Tem Patti said for example, he is a 20-year educator, and he must deal with common core standards. Mayor Pro-Tem Patti must write his lessons according to those standards. Mayor Pro-Tem Patti said we have experts such as the Community Development Director and Code Enforcement officers and this is where we should be receiving our guidance from in Mayor Pro-Tem Patti's opinion.

Manager Reynolds said she would like some guidance from the Town Council and not necessarily committing tonight but for consideration staff needs some guidance on how the Town Council would like to move forward on an UDO. Manager Reynolds said there is some significant budgetary piece of that, and we need to plan.

Manager Reynolds suggested putting the land use plan up for consideration so we could include it in our budget since that is step one, and at the same time, moving forward with the in-house review committee to look at everything else.

Manager Reynolds asked Mr. Rhue what his thoughts on the three different tasks are. Mr. Rhue said taking all three on at one time is a big task and the language is what will give you a vision for your town and what direction you want to go. Mr. Rhue said starting out with a vision and then modifying your ordinances to match that vision is a wise practice.

A motion was made by **Councilman Misciagno** and seconded by **Councilman Parnian** to add the Land Use Plan as priority one. **All Agreed.**

Manager Reynolds asked if the Town Council would like to move forward with the appointments so we can have some kind of direction. Manager Reynolds said Mr. MacLeod could possibly help set up some goals for the ordinance review committee because it sounds like it will be an ongoing committee.

Mayor Pro-Tem Patti said when this first began and when we separated it out into business, citizens, and ETJ the applicants have not been from the ETJ. Mayor Pro-Tem Patti said we need a hard deadline by May to decide on the makeup.

Manager Reynolds asked Mr. MacLeod what he would recommend for a general ordinance review committee. Mr. MacLeod said he would not recommend a large group and if we are doing non land use items, we do not need to have an ETJ. Mr. MacLeod said he would limit it to seven or eight people. Mr. MacLeod said he would establish a meeting time and if the Cape Fear Council of Governments is involved, they may be able to provide some education. Mr. MacLeod said the goal for this committee is mostly input, then you want a cross section of folks to provide that input. Mr. MacLeod said even a committee of five would be appropriate. Mayor Wenzel said he thinks the people we appoint should support the Town and work cooperatively together.

A motion was made by *Councilman Misciagno* and seconded by *Mayor Pro-Tem Patti* to have an Ordinance Review Committee consisting of five members. *All Agreed.*

New Business

Discussion Concerning the HOA Requested Repairs at the Entrance to the Neighborhoods of Holly Ridge

Manager Reynolds said staff received a request from Mr. Jeff Barton and in addition to being a citizen he is on the Homeowners Association for the Neighborhoods of Holly Ridge. Mr. Barton contacted the Town about some concerns with the entrance of the Neighborhoods of Holly Ridge. Our Public Works department will be able to fix the repairs. The additions which are extending the length of the turning area by twenty-five feet and extending the width of the turning area by six feet.

Mr. Barton received a letter from Onslow County Schools about the issues the busses are having turning into the neighborhood. Manager Reynold said this is one of the main concerns as well as there is a lot of militaries moving in and out of this neighborhood.

Manager Reynolds said the reason this item is before the Town Council is because this was not a budgeted project, and the cost of materials is outside of the amount the manager can approve without the Town Council's approval.

Manager Reynolds said the cost for the materials is \$3,320.00 and our Public Works Department can do the work in house.

Councilman Misciagno thanked Mr. Barton for his work that he put into this so the Town Council can make an informed decision. Mr. Barton said it sounded like to him that the Department of Transportation was willing to make the repairs. It is eighteen years or more that the road has been there, and it is starting to wear and tear and needs to be repaired.

Councilman Hines said we are going to need some kind of statement or agreement from the Homeowners Association giving us permission to be on their property to do this work.

Manager Reynolds said she believes we are within our right-of-way and a portion of that falls into the Department of Transportation right-of-way and our Public Works Director, Mike McFann has reached out to the Department of Transportation to see if we can work in conjunction, and they are open to discussion.

Manager Reynolds said a budget amendment would not be required because we already have funds for the street repairs. It was just a project that was discussed and so we felt it was better to bring it to the Town Council for approval.

A motion was made by **Councilman Hines** and seconded by **Councilman Misciagno** to approve requested repairs at the entrance to the Neighborhoods of Holly Ridge and to include a letter from the Homeowners Association giving the Town's Public Works Department permission to be on their property with the amount of \$3,320.00 included. **All Agreed.**

Discussion Concerning the Completion of the Traffic Circle located within the Neighborhoods of Holly Ridge

Manager Reynolds said this roundabout is an incomplete roundabout and it is in the back section of the Neighborhoods of Holly Ridge. Manager Reynolds said there were discussions at one point about completing the roundabout and improving the road that runs between the Neighborhoods of Holly Ridge and the neighborhood the Home Place on Highway 17.

Manager Reynolds said when we were discussing the Drag Strip stop light when those conversations took place. It was determined by the Department of Transportation to have a full motion stoplight at Drag Strip Road. They only wanted it to be a three-leg intersection because of the Highway 17 traffic. Manager Reynolds said there is also the traffic from the Industrial Park that will most likely be coming out of that entrance.

Manager Reynolds said the Town currently has no plans at this time on staff level to complete the roundabout. Manager Reynolds said Mr. Barton could speak with Mayor Wenzel and the Town Council as to why the residents would want the roundabout completed or not completed. When Manager Reynolds and Public Works Director Mike McFann went onsite the center is built a lot higher in elevation than the actual road which has caused a lot of near missed accidents. Manager Reynolds said we made changes by moving a stop sign up and letting one leg free flow.

Mr. Barton said it is built up and it is hard to see around, and our thoughts were to level it somehow so it is visible for everyone, but there are sprinklers and electrical systems in there and they should never have bolted so high in the first place.

Mr. Barton said one of the board members suggested tearing everything out and making a three-way stop. There was another suggestion for completing the roundabout since so much was invested in making it in the beginning.

Mayor Pro-Tem Patti asked why it was not finished in the beginning. Mr. Barton said the developer never completed the project.

Councilman Hines said what happened was the State was going to require another entrance and the cost was not feasible for the developer to do so. Councilman Hines said the developer thought he was going to be able to run it out to Highway 17, but the cost was going to be too much.

Mayor Wenzel said if the one entrance is sufficient than we would not want a second entrance that people would start cutting through the Neighborhoods of Holly Ridge to get to Highway 17.

Councilman Misciagno asked if you need two points of ingress and egress for EMS and the Fire Department. Mr. Barton said there is currently a wooden gate at the rear of the neighborhood, and we have discussed with the Fire Chief using that could be used for emergency purposes. There is a gravel road that goes all the way to Highway 17.

Mayor Wenzel said the first issue is to decide whether we feel the stop sign is sufficient and if not, we need to decide what and if we want to fix that, go beyond the stop sign.

Councilman Hines said at this point with the condition of a lot of our roads that we must put money into fixing them, this is not necessary especially the stop signs because it is going to be expensive to do that.

A motion was made by **Councilman Hines** and seconded by **Mayor Pro-Tem Patti** to NOT complete the traffic circle located within the Neighborhoods of Holly Ridge at this time.

Voting was as follows:

Councilman Hines – Yes

Councilman Misciagno – No

Mayor Pro-Tem Patti – Yes

Councilwoman Stanley – Yes

Councilman Parnian – Yes

Motion Passes.

Councilman Misciagno asked Mr. Barton if the Neighborhoods of Holly Ridge if they did not want access to Highway 17. Councilman Misciagno asked why we are only focusing on one point of exit? Councilman Misciagno recommended conducting a survey throughout the neighborhood. Councilman Misciagno said from a fire and safety piece, it is hard for him to understand why we are focusing on a high traffic road during the peak and tourist season.

Mr. Barton said the residents in the Neighborhoods of Holly Ridge do not want people cutting through the neighborhood.

Mayor Wenzel called for a recess at 7:50 p.m.

Mayor Wenzel called the meeting back into session at 8:03 p.m.

Discussion Concerning Possible Ordinance Amendments to Prohibit the Sale of Animals Along Roadsides in the Town of Holly Ridge

This item was removed by Manager Reynolds.

Discussion Concerning Possible Ordinance Amendments Pertaining to Building Height Limits in Chapter 7 – Zoning of the Code of Ordinance

Manager Reynolds said Mayor Wenzel requested this item be added to the agenda for discussion and consideration. The building height limits are regulated through Zoning, Chapter 7 and the maximum building height limit is 40 feet. Manager Reynolds said this is due to the Fire Department and the apparatus that is available to fight fires depending on the height.

Mayor Wenzel said he was in a meeting with Manager Reynolds, Chief Longo and himself and he would like Manager Reynolds to explain the cooperation we now have. Manager Reynolds said Camp Lejeune has a new fire chief and that makes their ladder truck available to the Town by way of mutual aid. Manager Reynolds said in the past we have been able to request to use Surf City's but now we have access to Camp Lejeune's and Surf City is now a back up on mutual aid. Mayor Wenzel said the magic number is within a 12-mile radius which it is. Mayor Wenzel said based upon the position of our ladder truck and this being a hindering factor in development not only in the Town but specifically the Industrial Park.

Mayor Wenzel said we did have an issue with Atlantic Seafood and their initial building where they were going to have to request a variance to go up forty-three feet. Atlantic Seafood redesigned their building so that they would be that three feet down. Mayor Wenzel said this is antiquated and it needs to be updated.

Manager Reynolds said the Crete concrete plant had to request a variance on their equipment which was also approved.

Councilman Hines asked if we would have to notify the base and Manager Reynolds said we would. Manager Reynolds said there is a section of land near the Industrial Park that is owned by the Federal Government which is the approached zone for the runway across Highway 17. Mr. Rhue said our ordinance states anything within five miles of the base, they must be notified.

A motion was made by **Councilman Misciagno** and seconded by **Councilman Hines** to direct staff and to review and present to the Planning Board for consideration. **All Agreed.**

Possible Approval of Budget Amendment # 6 for Fiscal Year 2023-2024 for the Purpose of Paying Off the Note the Housing Authority has on the Holly Plaza Property.

Manager Reynolds said when all this started and it was decided by the Town Council not to be in the housing business and make the repairs because it was not feasible, USDA let us know they would call the note due at some point. That point has arrived.

Attorney Fountain said there was a letter from the Federal Government stating that we disagreed with the conclusion. There was a default that we can request a meeting with the decision maker or go through an appeal process. The time to request a meeting has passed, but we are still within the appeal period.

Manager Reynolds said based on history, we were aware that the note would come due, we asked for the acceleration notice earlier, but they have a very rigid notification process where they had to send us four notifications.

Manager Reynolds said we are asking tonight for this budget amendment to be approved. It does not require a fund balance appropriation because we had money set aside in the land acquisition fund. We would be able to transfer the funds in the amount of \$700,000.00. The note would be plus interest from the notification until the date we pay it off. Manager Reynolds said this is why we are asking for the \$700,000.00 versus the \$695,000.00 that was on the notice of acceleration. Manager Reynolds said she would like to say that the original deed of trust was taken out in 1980 and it was not done by the Town Council. This was done by the Housing Authority.

A motion was made by **Councilwoman Stanley** and seconded by **Mayor Pro-Tem Patti** to approve Budget Amendment # 6 for fiscal year 2023-2024 for the Purpose of Paying off the Note the Housing Authority has on the Holly Plaza Apartments. **All Agreed.**

Councilman Misciagno said he is curious of the historical record. Councilman Misciagno asked if it was an interest only loan. Manager Reynolds said when the note was originally created on the promissory note and the deed of trust, that loan was secured at 11% interest which was an average mortgage rate at that time. Manager Reynolds said 1.5 million was the original amount and the loan was then refinanced less than a year later to have a .25% reduction in the interest rate. It landed at 10.75, which is one of the issues that we had when the Town took it over. Manager Reynolds said according to the USDA it could only be refinanced once. Manager Reynolds did argue that point and we were able to get the reduction down to 1%. Manager Reynolds said a good portion of the principal balance was paid off after that reduction.

Councilman Misciagno asked how long was the original note? Councilman Misciagno said we are looking at a 40-year history of \$500,000.00 in principal balance.

Councilman Hines said the land was given to the Town and then the Town formed the authority and by forming the authority, the Town had nothing else to do with the authority. All the Town did was make appointments for that board. Manager Reynolds said the half agreements which is the housing assistance program that signed are signed on a 20-year basis. The Housing Authority has been through two of those.

Attorney Fountain said according to the original deed of trust, the final installment was said to be due on July 1st 23 and it was a 50-year term.

Manager Reynolds said the housing authority operated with their own internal staff in addition to their board. They had a manager and a maintenance person that answered the housing authority board. In 2019, the original manager had retired, turning it over to the maintenance man to be both the manager and the maintenance person. There were issues with the loan notes being made and it was realized when they started looking into it, the housing authority had not been having meetings and a lot of the members were not currently active.

Manager Reynolds said we made some initial appointments. The USDA and Hud helped walk us through that process. Manager Reynolds said because the requirements with the USDA loans is you must have an active board; the Town Council made the appointments. Manager Reynold said we started going through the documents and we were looking at possibly self-managing, meaning we would have Town staff over there in the positions of the manager and extending the maintenance staff to cover that. USDA and HUD came back and said we could not self-govern; we would have to have a professional management company and the only management company was Pendergraph.

Manager Reynolds said we did all of that to prevent that property from going to the Federal Government and possibly losing the assistance that we had here in Town for the citizens.

Town Council Comments

Councilman Parnian said we have a great future ahead. Councilman Parnian thanked Manager Reynolds for the meeting, and he said it is a pleasure working with the rest of the Town Council.

Councilwoman Stanley thanked everyone for coming to the meeting and she welcomed Councilman Parnian to the Town Council. Councilwoman Stanley thanked all the departments and Manager Reynolds for their hard work.

Mayor Pro-Tem Patti thanked everyone for coming tonight and he thanked the staff and all those who work hard for the Town. Mayor Pro-Tem Patti welcomed Councilman Parnian and he looks forward to working with him. Mayor Pro-Tem Patti said without saying too much and keeping privacy in mind, he acknowledged Holly Ridge Fire and Rescue who responded to a trying and unfortunate call. Mayor Pro-Tem Patti said we support the Fire Department and thank you for all you do. Mayor Pro-Tem Patti said he encourages everyone to get involved in their community.

Councilman Misciagno thanked everyone for coming and he look forward to seeing everyone next time.

Councilman Hines said Dorothy Royal can stir things up better than anybody in Town. She stirred this up without trying to get any information from Manager Reynolds regarding the housing project. Councilman Hines said Ms. Royal got people on Facebook saying the Town Council must have had their hands in the cookie jar. People who do not live or have businesses in the Town got on board and they criticized everything we did. Councilman Hines said he was hoping she would be at the meeting tonight so Councilman Hines could tell Ms. Royal face to face. Councilman Hines said Ms. Royal does try to help the Town, but she stirs more mess and causes more problems than anybody else in this Town. Councilman Hines said he is tired of hearing about it. Councilman Hines said he does not think there is a member on this board or a staff member that would do anything crooked or underhanded to get anything in their pocket.

Councilman Hines asked if there was a plan on how the Town is going to enforce the food truck ordinance. Manager Reynolds said we are working on a plan.

Councilman Hines welcomed Councilman Parnian to the Town Council.

Announcements

Mayor Wenzel gave the following announcements:

- Thursday, April 11th, 2024, Eastern Carolina Council of Government – Executive Meeting – 233 Middle Street, New Bern
- Saturday, April 13th, 2024, Bee Festival Pageant – at the Holly Ridge Community Center
- Tuesday, April 16th, 2024, Planning Board Meeting – beginning at 6:30 p.m. in the Council Chambers
- Thursday, April 25th, 2024, Four Town Meeting – Hosted by Surf City – beginning at 9:00 a.m. at the Surf City Welcome Center
- Saturday, April 27th, 2024, Bee Festival – from 10:00 a.m. until 3:00 p.m. – located at 127 Sound Road Holly Ridge
- Thursday, May 16th, 2024, ONWASA Board Meeting – beginning at 6:00 p.m. in the Jacksonville City Hall

Mayor Wenzel thanked Manager Reynolds for her hard work and for juggling all the balls in the air for this growing Town. Manager Reynolds does a phenomenal job, and we appreciate her. Mayor Wenzel said the amount that the manager can approve of \$2500.00 is antiquated and Mayor Wenzel would like to add this to the next meeting agenda to have consideration and a vote on raising that amount to \$10,000.00.

Closed Session

Adjournment

A motion was made by *Councilwoman Stanley* and seconded by *Mayor Pro-Tem Patti* to adjourn at 8:30 p.m. *All Agreed.*

Attest:

Jeff Wenzel, Mayor

Tracy Martin, Deputy Clerk

These minutes were recorded and prepared by Deputy Town Clerk, Tracy Martin.