

# Town of HOLLY RIDGE

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## HOLLY RIDGE TOWN COUNCIL EMERGENCY MEETING

October 25th, 2023

7:45 A.M.

Mayor Jeff Wenzel called the Regular Meeting of the Holly Ridge Town Council to order at 7:49 p.m. at the Holly Ridge Town Hall. Council members present were Councilman Sholar, Mayor Pro-Tem Hall, Councilman Hines, Councilwoman Stanley, and Councilwoman Bragg. Also present were the Public Works Director, Mike McFann, Finance Director Chuck Strickland, Building Code Administrator, Greg Lawrence, Town Manager, Heather Reynolds, and Deputy Clerk, Tracy Martin.

### Invocation and Pledge

**Councilman Hines** gave the Invocation and Mayor Wenzel led the Pledge of Allegiance.

### Adoption of Agenda

A motion was made by **Councilwoman Stanley** and seconded by **Councilwoman Bragg** to adopt the agenda as presented. *All Agreed.*

### Persons Wishing to Address the Council

**Brianna Paul – 1 Circle Drive Apt. G-1** said she lives behind the Town Hall at the Holly Plaza Apartments, and she has lived there for three plus years. Ms. Paul said she is a single mother of three and one has special needs, and another child is asthmatic. Ms. Paul said to the best of her knowledge, Holly Plaza apartments is currently under Pendergraph Management and the Town of Holly Ridge owns the property. Ms. Paul said she is curious about what the procedure is once you have hired a management company to manage the property. The reason Ms. Paul is curious is because within the time that she has lived there, she has reported several living conditions hazardous to Pendergraph Management, City Hall, and Town Management. One of these incidents involved the city coming out photographing and documenting water damage that included visible staining consistent with micro mold growth as early as 2022. Ms. Paul said there are literally mushrooms growing out of her walls. Ms. Paul said the city did not follow up to ensure that there was a resolution after repeated calls to which resulted in months of intimidation tactics by Pendergraph Management and unsafe living conditions.

Ms. Paul said why would anyone stay in that you ask, Ms. Paul said for starters she is poor and low income, and she has no other place to live. Ms. Paul has no family in North Carolina to even go stay with. Ms. Paul said she asked if she could be reimbursed to take her children out of this unsafe living condition and Ms. Paul was told no.

Ms. Paul said at that point we were left with people who could have cared less about her and her three children or anyone else who was struggling with their living conditions at that complex. Ms. Paul said these are real live families already struggling to make ends meet and trying to provide necessities for their family, and they have to live in unsafe housing until somebody decides to take accountability for this. Ms. Paul said that is like adding insult to injury. Ms. Paul said every single day that we are reduced to the dehumanizing, unsafe living conditions that impact not just them but their children's health, safety, and wellbeing.

Ms. Paul said she would like to close by saying there is a very specific person and Ms. Paul will not mention names, but this person is on the property working tirelessly to ensure a solution for the residents of Holly Ridge. This person is strong, independent, caring and this person is doing the absolute best thing for the residents of Holly Ridge.

Ms. Paul said they will not calm down and anyone implying such, Ms. Paul would like to extend an offer to you. Ms. Paul said she would switch her apartment for your comfy, safe, cozy home and in the morning, we can discuss if you think it is still safe and habitable.

*Sandra Ippolito – 1 Circle Drive Apt G-5* said she is the neighbor to Ms. Paul, and she has lived there for seven years with her children. Ms. Ippolito said she has had a mystery illness since 2018. Ms. Ippolito started journaling her symptoms in 2019 and her doctor would tell her she is hypochondriac but eventually sent Ms. Ippolito to a rheumatologist and was diagnosed with fibromyalgia. Ms. Ippolito said last month she was tested for HIV and Lyme disease and the doctor says you are so healthy; I don't know what it is. Ms. Ippolito said she took herself to the emergency room last month because she felt so weak and tired. Ms. Ippolito said again her bloodwork came back fine.

Ms. Ippolito said she is a mother of two children, and she moved here because life blew up on her. Ms. Ippolito said she had a great job as a legal compliance analyst, but her husband got addicted to methamphetamine and they lost everything. The bank took her home and she ended up in North Carolina in a camper and when she found this place, it was a GOD send. Ms. Ippolito said she is happy to have this place, but it is not safe, and she suspected all along it was mold.

Ms. Ippolito said the management company knew what was going on when they painted the walls two years ago. Ms. Ippolito said an employee with the management company along with a contractor came into her unit and said these walls have mold behind them and you need to do something about it. Ms. Ippolito said the management company said no you are going to paint over it. Ms. Ippolito said she did not say anything for fear of being evicted and she had no other place to go.

Ms. Ippolito said thirteen days ago her air conditioning broke and the person from the air conditioning company was working on her motor fan and the fan and air handler was full of mold. Ms. Ippolito has pictures and video's and she sent it to Kimmee Frankenfield. Ms. Ippolito said this has been blowing inside of her home for all these years and this is what has been making her sick.

Ms. Ippolito said she started a cleaning business about five years ago and had a wonderful clientele, but she was so tired, and it was such a struggle to get through the day. Ms. Ippolito said it was all she could do to get through the day. Ms. Ippolito said she has a daughter who has a heart condition, and she has been through two open heart surgeries, but mold is going to kill her. Ms. Ippolito said she must feed her daughter and her daughter cannot remember how to cut on the hot or cold water in the shower. Ms. Ippolito said her daughter has a rash all over her face and her son is all the time coughing, sneezing, and complaining.

Ms. Ippolito said the residents need to be rescued and then what to they do with all their possessions. Ms. Ippolito said she is a homebody but now she is afraid to be in her home. Ms. Ippolito said she has a moisture detector that a general contractor lent her, and Ms. Ippolito put the detector on the floor, and it registers one hundred percent on the first floor. The detector registers twenty-two percent on the stairs and it is thirty percent upstairs in the bathroom where the mold is growing.

Ms. Ippolito said she spoke with a general contractor and was told there is probably a problem with the moisture barrier in the foundation and that is probably why everyone has mold problems. Ms. Ippolito said she knows her neighbors have mushrooms and mold growing.

Ms. Ippolito said again they need to be rescued, acknowledged and they need someone to tell them what tomorrow is going to bring for them, because they do not know where they are going to be living. Ms. Ippolito said it is very scary and they did not ask to be in this situation.

Nicole Kennedy – 1 Circle Drive Apt J-4 said she has lived at Holly Plaza Apartments for four years and she is also a single mother of one teenage son and one teenage daughter. Ms. Kennedy said last Wednesday, Ms. Kennedy and her daughter were ordered by the daughter's doctor to leave the premises because the apartment they have been living in for the last four years has been making her daughter sick.

Ms. Kennedy said they do not have any family here and since the doctor's order, they have been staying in between friends' houses while trying to maintain daily living. Ms. Kennedy said they all realize they are all living in unsafe conditions and recently, her neighbor Dawn made the decision to show you a petri dish which was ironically a Christmas gift.

Ms. Kennedy asked the Town Council to consider her immediate request. She has been provided with a temporary place to stay and it is less than you would pay for a hotel room while you figure out what you are going to do for all these residents. Ms. Kennedy said if they go to a hotel her family would be separated and her son would go to New Jersey and Ms. Kennedy needs her son here with her. Ms. Kennedy said she would like the Town Council to

keep all the residents together and consider the plan that was presented to the Town Council. Ms. Kennedy said it sounds like a great plan to relocate and rebuild so that the Town Council can bring their community back together and in good health.

Ms. Kennedy said she stands corrected, she said she did not have family here but the residents that live at Holly Plaza Apartments are her family and Ms. Kennedy wants the Town Council to take care of her family. Ms. Kennedy said none of the residents ask for any of this and they are good people, and they are residents of Holly Ridge, but we need better living conditions.

**Dawn Gilliam – 1 Circle Drive Apt K-1** said she has lived in the Holly Ridge Plaza Apartments for almost five years and most of the residents are single moms. Ms. Gilliam has a son who has special needs as well and a teenage son. Ms. Gilliam said they are a very close community. Ms. Gilliam said the mold issue in her apartment has been there from the beginning and was discovered not even two months after moving into the apartment. Ms. Gilliam and her children were temporarily moved to apartment G-6 so they could make the repairs and they were not.

Ms. Gilliam said it took a terrible sickness in April for Ms. Gilliam to say no more. Ms. Gilliam said she nearly died from a Gastrointestinal hemorrhage that came out of nowhere. Ms. Gilliam said everyone is sick that lives in these apartments. Ms. Gilliam said some of the options that the Town Council have are very good and she would like the community to stay together.

**Ken Bradshaw – 134 Beacon Woods Dr** said this hits close to home. Mr. Bradshaw said he had just returned from New York because his uncle passed away and Mr. Bradshaw stayed at his brother-in-law's home. Ms. Bradshaw said his uncle was in great shape, biggest guy in the gym and the two of them use to work out regularly. Mr. Bradshaw said he had not seen his uncle in six years and when he arrived at his home, it was in a shambles.

Mr. Bradshaw said after hearing the stories about the Holly Plaza apartments and spending three days with his brother-in-law, black mold is no good. Mr. Bradshaw sat through three budget meetings, and we know this situation was not included in the budget, but what is the Town going to do with these people? Mr. Bradshaw said something must be done to help these people. Mr. Bradshaw said these people are our neighbors.

**Christina Asbury – 308 Folkstone Road** said which is outside of the city limits, but she is still a concerned citizen. Ms. Asbury said usually she speaks on behalf of a realtor but today as a concerned citizen. Ms. Asbury said she has laid her head in those apartments, and she has family that have laid their head in those apartments. Ms. Asbury said she has friends who grew up in those apartments.

Ms. Asbury said in 2020, she turned over the housing authority with the Town. Ms. Asbury was the lone board of directors. She volunteered thinking she could make a difference and what she learned is that Pendergraph basically had a gag order on everybody involved. Ms. Asbury said there are fifty-six adults in those apartments, twenty-five of which vote which

may be important to the three that are up for reelection. As a director on the housing board of directors, Donna and Teresa were consistently very combative. They were very confrontational and did not want to answer questions, be held accountable and when Ms. Asbury started asking intelligent questions and asking for information, that they were legally bound to provide per the contract, Ms. Asbury was told sorry lots of luck. We are governed by the Federal Government, we are not governed by you, you are just the director.

Ms. Asbury said Pendergraph forbid Ms. Asbury to communicate with the tenants once they found out she was handing out business cards and wanted to hear from them. Pendergraph went back to the community and told the tenants they better not communicate with the director or the Town of Holly Ridge. The management company really has a hand in this.

Ms. Asbury said one of the main things when you live in a subsidized rural developed community is you are bound to have information on how these residents can post complaints against the management company or against the complex. Ms. Asbury said it is her opinion that Pendergraph purposely did not make it easy for these folks to provide complaints. Ms. Asbury said this is one of the only battles she won by making Pendergraph post how to file a complaint and where to get help if you feel like you are being discriminated against. It was consistently an uphill battle and Ms. Asbury realized that this was bigger than her. Ms. Asbury said she came to the Town and asked them to take it over. Ms. Asbury said just her opinion, but USDA, HUD and Rural Development has failed every single one in this room.

Ms. Asbury said, as residents, you need to know the Town staff's hands are tied by the Federal Government. There is a very clear line in between. The owners of the property and the residents of the property. The highest and most use of that property is not housing, so for anyone of you that thinks those apartments can be remediated, the mold fixed, and the houses rebuilt, that is the equivalent of putting a new engine and transmission in a 1984 Datsun hatchback. It does not make any sense. Ms. Asbury said as a realtor that property is no longer housing. Ms. Asbury said the Town should start by requesting a forensic financial audit from Pendergraph because looking at the numbers the profit from an investment standpoint that is coming back off that is less than the management fees. Somebody needs to follow the money.

Ms. Asbury said taxes are going to pay for this one way or another. It may be taxes to pay for the attorneys from the lawsuit that may or may not come from the citizens, or the lawsuit if the Town decides to go after Pendergraph. Ms. Asbury said the Town should expect taxes to pay to help to rebuild the apartments or provide housing for the citizens. Ms. Asbury said if the Town is thinking about buying out the tenants and giving them a check for them to find someplace else to live, good luck. Ms. Asbury said she would write anyone of the Town Council a check for the amount you want to try and offer the residents and tell you to go and try to find a place to live. As a realtor there is no inventory.

Ms. Asbury said Congressman Greg Murphy represents district number three. He is a medical professional, and we are blessed to have a medical professional representing district number three. If anybody understands the gravity of the health implications of this situation, it is your congressman. Ms. Asbury said this is going to be a painful process for everybody.

Ms. Asbury said we need to plan for the long term and make plans to move all the tenants. Ms. Asbury said look someplace else other than Airbnb's because they are taking away long-term housing options which are driving up the prices of houses. Ms. Asbury said she does not know the easiest solution is, but rebuilding is not it. Ms. Asbury said she wanted to make sure for somebody who has had a personal experience both with Pendergraph, Donna and Teresa and as a person who came here to request the Town to please take over the Housing Authority over they have consistently blocked any kind of communication and they have always been defensive and combative. Unfortunately, the Town Council did not have a choice about putting Pendergraph in. Rural Development chose that property manager. Ms. Asbury said she is here to help anyway she can.

**The Purpose of this meeting is to Discuss the Housing Authority and to move Tenant to the Airbnb and request Pendergraph to pay the expense out of the Housing Authority Operating Account**

Manager Reynolds said Attorney Potter is on the phone because he could not be here this morning.

Mayor Pro-Tem Hall said everything that Ms. Asbury said, the Town is doing. We are meeting and speaking with people, but we cannot say today deposit the money or today we can move all the people. Mayor Pro-Tem Hall said we are under some legal ramifications and there is a process. Mayor Pro-Tem Hall said we do not foresee this to take two years, but we are moving just as hard as we can.

Mayor Pro-Tem Hall said all of you have seen Town staff over there working hard and when they are not there, they are at the Town Hall working just as hard talking to Congressman Murphy. Mayor Pro-Tem Hall said she receives updates every day from Manager Reynolds on what organizations she and Kimmee are touching base with.

Brianna Paul said this is not just a one-person situation, there is a fifty-family unit in the same situation, and we just did inspections. Ms. Paul said she does not understand why we are having a meeting for one tenant whenever each individual unit is the same. Ms. Paul asked how everyone sets up a meeting with the Town Council so everyone can line up around the building and we can take the Town Council into each apartment to show you the mold.

Mayor Pro-Tem Hall said it is not a disbelief of what she is saying, and Mayor Pro-Tem Hall is not going to argue. Mayor Pro-Tem Hall said this emergency meeting was about approving the moving of one tenant and Mayor Pro-Tem Hall made the motion that we do.

Mayor Pro-Tem Hall said she does not know what else to say and the Town Council is not visiting this on a one-on-one case. Mayor Pro-Tem Hall said we dropped all the projects the Town was working on to focus on this one issue. Mayor Pro-Tem Hall said we are not unsympathetic to what is going on at all.

Sandra Ippolito asked what the process is to call for a Special meeting. Manager Reynolds said an emergency meeting requires a six-hour notice and a Special meeting requires forty-eight hours' notice.

Mayor Pro-Tem Hall asked about the status of Ms. Ippolito's air conditioning unit. Public Works Director Mike McFann said it is on hold. Mr. McFann said we had a repair in place, but Ms. Ippolito did not want it activated because she was afraid that the mold that is currently in the ducts would be blowing throughout the apartment. The decision was not to do anything.

A motion was made by *Mayor Pro-Tem Hall* and seconded by *Councilman Bragg* to move Tenant to the Airbnb and request Pendergraph to pay the expense out of the Housing Authority Operating Account. *All Agreed.*

Councilwoman Bragg said she lived at Holly Plaza Apartments years ago and like some of you, Councilwoman also has a 31-year-old special needs son. Councilwoman Bragg said she understands the importance of family. Every situation that you have put to the table is very important but today we will only be discussing this and that in no way means we are going to dismiss you. Councilwoman Bragg said all of us at the Town Hall are working as hard as we can to make sure the right things happen as we get information. Councilwoman Bragg said she is going to do what is in the best interest for everyone.

*Brianna Paul – 1 Circle Drive Apt G-1* said we do not know what to tell our kids when they see notices on our doors about being displaced. Ms. Paul asked the Town Council how they would like to explain that to their children. Ms. Paul asked why environmental testing had not been done over a year ago when she asked for it. That would have told spore counts and what type of mold is in the units. Ms. Paul said after the remediation was done in her apartment, she was not allowed a copy of that report. Ms. Amanda with Pendergraph said the only way to get one would be if it was subpoenaed. Ms. Paul said this court case has been coming for awhile and while the Town Council is starting to act, these families have been living like this for years. Ms. Paul said it is to the point where everyone is so sick and mentally drained, this is why all the tenants are acting like this. Nobody seems to care.

Ms. Paul said the one person that does seem to care is being told things that are the opposite, and it is very disheartening. Ms. Paul, everyone gets to go to their nice homes that are safe, and the tenants get to go back to their mold-filled apartments with their children hoping everyone is okay.

Kimmee Frankenfield said she made a presentation to the Town Council on Friday and presented options and she was told she was too emotional and that she needs to calm down. These people and these families are the ones she has been talking to every day for a month. Ms. Frankenfield said these are the situations and she was trying professionally, and Ms. Frankenfield said she understands she may lose her job and she is alright with that because she is going to do the right thing.

Ms. Frankenfield presented to the Town Council a quote to move every resident to a hotel and provide a per-diem to cover their food cost. Ms. Frankenfield said it is three hundred thousand dollars a month. Ms. Frankenfield says she understands that is a lot of money, but these families are sick, and this mold situation could kill them and their children.

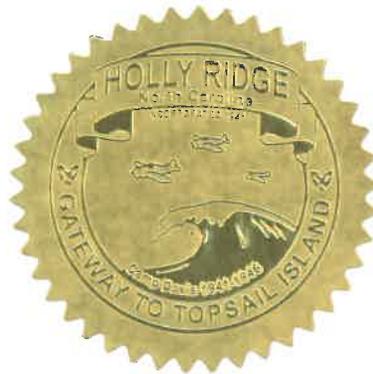
Ms. Frankenfield said she would request that the Town Council approve to move them to this hotel, to spend that money and maybe that would speed the process along to the next steps instead of sitting in front of them and saying we are doing all we can. Ms. Frankenfield asked are we doing all we can for them because it doesn't feel it from where she stands.

**Persons Wishing to Address the Council**

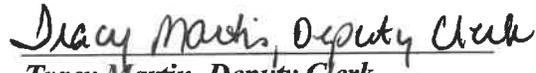
**Adjournment**

A motion was made by **Mayor Pro-Tem Hall** and seconded by **Councilman Sholar** to adjourn at 8:34 a.m. **All Agreed.**

**Attest:**



  
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**Jeff Wenzel, Mayor**

  
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**Tracy Martin, Deputy Clerk**

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