

**CITY OF NEW BERN
BOARD OF ALDERMEN MEETING
JULY 11, 2023 – 6:00 P.M.
CITY HALL COURTROOM
300 POLLOCK STREET**

- 1. Meeting opened by Mayor Jeffrey Odham. Prayer by Ethel Sampson. Pledge of Allegiance.**

- 2. Roll Call.**

Present: Mayor Jeffrey Odham, Alderman Rick Prill, Alderman Hazel Royal, Alderman Robert Aster, Alderman Johnnie Ray Kinsey, Alderman Barbara Best, and Alderman Robert Brinson. Absent: None. A quorum was present.

Also Present: Foster Hughes, City Manager; Marvin Williams, Assistant City Manager; Michael Scott Davis, City Attorney; and Brenda Blanco, City Clerk.

- 3. Approve Agenda**

Mayor Odham alerted the Board that staff requested to pull Item 7 to change some language in the Memorandum of Understanding and asked that they keep this in mind when considering the Consent Agenda.

Alderman Royal made a motion to approve the agenda, seconded by Alderman Kinsey. The motion carried unanimously 7-0.

- 4. Request and Petition of Citizens.**

On behalf of the Red Cross, Kristin Willis of 100 Cromwell Drive in Greenville spoke about the upcoming blood drive scheduled in conjunction with the City of New Bern. The event is slated for July 20, 2023 at the Knights of Columbus building. The mission is to collect 250 pints. Donors can vote for their favorite hero, the New Bern Fire Department or New Bern Police Department, during the “Battle of the Badges.”

Consent Agenda

- 5. Consider Adopting a Resolution to Call for a Public Hearing on an Installment Financing Agreement for the Construction of the Stanley White Recreation Center.**

The Local Government Commission and NCGS §160A-20 require a public hearing be held when local governments intend to finance real property by installment contract. The City intends to finance the construction of the new Stanley White Recreation Center, and staff requests a hearing be set for August 08, 2023.

6. Consider Adopting a Resolution to Approve a Memorandum of Understanding with the Craven County Sexual Assault Response Team.

To provide services to victims of sexual assault, the New Bern Police Department (“NBPD”) has joined with other stakeholders in the region who also desire to provide consistent, coordinated, and compassionate responses to victims. Those stakeholders include, but are not limited to, the Craven County Sheriff’s Office, Craven County District Attorney’s office, CarolinaEast Medical Center, the Craven County Department of Social Services, Coastal Women’s Shelter, and the US Marine Corps. The proposed Memorandum of Understanding (“MOU”) provides guidance for each agency with respect to its responsibilities. Of note, the Board previously approved a MOU on September 13, 2022 in which Promise Place was a stakeholder. A new MOU is sought as Promise Place has now been replaced by Coastal Women’s Shelter.

7. Consider Adopting a Resolution to Approve a Memorandum of Understanding with the Eastern Carolina Council Area Agency on Aging for Project Lifesaver.

This item was pulled as noted in the Mayor’s earlier remarks.

8. Consider Adopting a Resolution to Approve a Memorandum of Understanding with the University of Mount Olive.

On January 14, 2020, the Board adopted a resolution approving a MOU with The University of Mount Olive (“UMO”) to assist City of New Bern employees in their pursuit of a higher education. The three-year agreement waived application fees and offered a 10% or 30% tuition scholarship to eligible employees who attended online or onsite classes. A similar MOU is proposed that would again waive application fees and offer a 10% tuition scholarship to eligible employees. If approved, the MOU will remain in effect until terminated by either party.

9. Approve Minutes.

Minutes from the June 27, 2023 meeting were provided for review and approval.

Alderman Aster made a motion to approve the items under the Consent Agenda less Item 7, seconded by Alderman Prill. Upon a roll-call vote, the motion carried unanimously 7-0.

10. Conduct a Public Hearing and Consider Adopting an Ordinance to Rezone Properties on Washington Post Road Identified as Tax Parcel IDs 8-223-003 and 8-223-004.

Stars & Stripes 4F, LLC requested to rezone 20.44+/- acres from R-10A to a R-8 Residential District. The two parcels, identified as Tax Parcel ID 8-223-003 and 8-

223-004, are located on the east side of Washington Post Road at Olivia Road. The Planning and Zoning Board unanimously approved the request at its June 06, 2023 meeting. Jessica Rhue, Director of Development Services, shared a PowerPoint presentation to review the area, the properties' current zoning, and uses under the current and proposed zonings. Mrs. Rhue described the full review process for any proposed residential or commercial developments and confirmed the review process will include public hearing opportunities for citizens to provide input.

Mayor Odham opened the public hearing, and the following came forward to speak:

- William Faith of 400 Ginger Drive stated he was against the proposal. He felt the additional 200 families that would be drawn to the development would require more services from the City and they would not be taxpayers.
- Harold Simmons of 525 Dakota Avenue said he heard a major construction project is proposed for the area. He asked for someone to describe the project and how it will affect his property value and quality of life in the Lake Tyler subdivision.
- Brian Mansour who lives close to the area (740 Washington Post Road) expressed concern about increased traffic. There have been hundreds of accidents at the entrance of Lake Tyler, and he felt a traffic study would be useful in determining the need for a traffic light. People leaving the subdivision pull out in front of other vehicles without stopping to look. Because of this concern, he was opposed to the rezoning, stating motorists drive "900 mph" on that highway.
- Ed Chaffee of 200 Gracie Farms Road said he has lived on Gracie Farms Road for over two years and has seen a lot of accidents in the area. He has called the Craven County and New Bern Police about his concerns.
- Susan Faith of 400 Ginger Drive said traffic in the area is unbelievable. School districts in the area are overcrowded, and she was concerned about the burden additional students will put on the school as well as the increase in traffic.
- Wes Watson of the Lake Tyler development (507 Dakota Road) also voiced concern about traffic in the area. He was in favor of the current zoning with a lower density.
- Deborah Grant of 206 Frida Road expressed concern about Lake Tyler being connected to a new residential area as shown by the green lines in the PowerPoint. Currently, streets are barely wide enough for fire trucks to get through. Mayor Odham confirmed with staff that the green lines on the map are simply property lines, not indicative of new roads. Ms. Grant then questioned what the road would look like, if there would be a fence separating the new development, and whether the Environmental Protection Agency would be involved, as she was concerned about the impact on wetlands and wildlife.
- John Adams of 416 Frida Road was disturbed that the developer asked for a continuation to provide their vision for the area. He voiced concern about rolling blackouts from Duke Energy or the City of New Bern Electric. He questioned whether the new zoning would permit more than 222 units. Considering the proximity of the property to Greenville and a military base,

he predicted the number of additional cars would be triple the number of additional units, as Lake Tyler has triple the number of cars for the homes in that subdivision. He reminded the Board that the locals voted to put them in their seats and suggested they keep a mindset focused on what the community wants.

- Mike Duffy of 121 Mourning Dove Trail said even on his street, which is off Oaks Road with a 35-mph speed limit, traffic does not slow down until it reaches the cul-de-sac at Trappers Trail. He recommended signage in his neighborhood cautioning drivers that children were at play.
- Maureen Wallingford of 409 Frida Road asked the Board to keep in mind that Lake Tyler is not yet fully developed. There are 99 lots still available, which cannot be sold due to their cost. Once the neighborhood is completed, there could be another 300 cars and there may be a total of 1,000 vehicles once the area is complete. She was also concerned about the impact on utilities. As a newcomer who purchased a home in Lake Tyler, the realtor told her there would be no additional development.
- Sharon Bichaukas of 1009 N. Craven Street said she did not live on Washington Post Road and avoids the road at all costs because driving on it is “taking your life in your own hands.” She said while she was not real savvy about developments or apartment buildings, she was well versed in Boards of Aldermen and Mayors after living in New Bern for 36 years. Over the years, officials have stated new developments would allow the improvement of infrastructure and enhance the tax base. That has not happened. Greenbrier, Taberna, and Carolina Colours were built, but no improvements were made to the older neighborhoods. She asked how the Board planned to fix the mess on Washington Post Road when it cannot fix the mess it has now. The bigger you get, does not mean the better you get.
- Antoinette Boskey of 4766 Corena Drive in Planters Ridge (across the road from Lake Tyler) said it is hard to turn left or right onto Washington Post Road. While she knows affordable housing is needed in New Bern, she did not think this was the area for it. She questioned whether the traffic and school system could handle growth in that area. She felt studies of the road and school system were needed. She closed by stating “don’t let a good intention impose a negative outcome for us.”
- Scott Sisco of 304 Frida Road was not opposed to developing the property under the current zoning. When he purchased his home, he was aware the two properties could be developed. He felt the larger questions were that of what is proposed, how many units will be built, will the buildings be 3+ stories high and look into the backyards of homes and take away homeowners’ privacy, what impact will it have on traffic, etc. He asked that the Board respect the interests of its constituents and not that of a developer. In the alternative, he asked that the matter be tabled until more information is available.
- An unidentified man commented New Bern High School brought in 200 freshmen last year.
- Clarence Brown of 300 Louisia Mae Way said there had been no mention of traffic changes on Hwy. 43 and 55. Morning traffic can be backed up beyond Lake Tyler because of vehicles trying to turn left toward downtown. He and

his wife enjoy seeing wildlife in their back yard. His home was the fifth house to be sold in Lake Tyler, and his property abuts the area for the proposed expansion. A selling point for his home was that no one could build behind him because of wetlands and an easement. He asked for studies to be performed on the traffic, wildlife, and standing water.

- Eric Remington, an attorney with Ward and Smith who represents Stares & Stripes, addressed the application. He stated the rezoning request was a straightforward request, and he asked that the Board keep in mind this is a rezoning request, not a site plan approval process. As Alderman Prill mentioned earlier, there are other procedures that will need to be followed for approval of a site plan. Mr. Remington introduced several people who accompanied him: William Miller, Director of Real Estate for Stares & Stripes, Shawn Stanley, Director of Development for Stares & Stripes, Tyler Johnson Vice President of Development for Stares & Stripes, and John Thomas, Project Engineer.

Mr. Johnson noted Stares & Stripes acquired the property in 2016 when there were only 16 homes. The subdivision was originally developed in 2009 and sat vastly barren until acquired by Stares & Stripes. When Stares & Stripes invested in the property, roads and sidewalks were overgrown, an extreme amount of stormwater work was needed, and there was an abandoned home at the entrance. Since buying the property, the developer has brought 300 homes to New Bern, built a beautiful pool, rebranded the community, and made the area a beautiful place to live. The applicant is dedicated to the community. Market data pulled yesterday showed Craven County has a 900-home deficit, 500 of which are needed in New Bern. The intent is to create a place where working families in New Bern can reside. The 2022 land-use plan indicates there is a great need for homes in this area and that the area is convenient to five major employers. A recent report described the proposed development as an affordable housing community, which is incorrect. It would be an attainable apartment complex where working families can reside. Current zoning allows 177 homes, and the new zoning will allow a maximum addition of 45 more homes. The details of the plan will be determined during the planning phase, at which time the number of units may be lowered because of buffers, etc. Mr. Johnson asked for the Board's approval.

Mr. Thomas, the engineer with Thomas Engineering, said rezonings often pack a house during the hearing. He felt staff made a good presentation this evening, and noted the Planning Board approved the rezoning request. Adjusting from R10A to R8 results in just a slight increase in the number of units. Commercial zoning is not sought. When Brice's Crossing was being developed, Taberna residents showed up in opposition. Brice's Crossing and Taberna are both zoned R8. Property adjacent to Brice's Crossing was rezoned to R8, at which time residents of both Taberna and Brice's Crossing showed up in opposition, but the R8 zone was approved. When R8 zoning was sought for Bluewater Rise, residents from Taberna, Brice's Crossing, and Hardee Farms showed up in opposition. The rezoning request was approved. The majority of Carolina Colours is zoned R8. The West New Bern development is zoned R6 and C3. There are 220 apartments on 11

acres in that development. That is only 20 units per acre. Stares & Stripes' proposed development is just half of that. A large portion of Craeberne Forest is zoned R6. The project will be a planned unit development ("PUD") with mixed use, and the request to rezone is reasonable and fair.

Mr. Stanley said the developer is subject to very stringent reviews from agencies throughout the state. Anything that is approved through the next level will undergo strict scrutiny for stormwater, wetlands, etc. He assured everyone that the project will be carried out to the highest and strictest standards. He met with the City's utility department today and worked through a lot. The developer will make sure the citizens' concerns are addressed regardless of the outcome of the zoning request.

In summary, Mr. Remington reminded the Board that the City has rules and regulations that determine what the Board should consider when deliberating this request. When specific uses in R10A and R8 are compared, there are no differences. The only difference is 10,000 square feet versus 8,000 square feet. When determining if the request is reasonable, the Board is to consider the size of the tract. This 20-acre tract is a reasonable size for a multifamily project. The Board is also to look at the benefits that will be provided. As noted by Mr. Johnson, there is a housing shortage in New Bern, and this project will provide housing. The request is in the public's interest because of the housing needs, and it is a reasonable request. He referred to the City's 2022 land use plan and how it supports the request and shows the request is consistent with the area. The developer is not considering commercial uses for the area and feels multifamily housing is a better use. The project has already been approved as a PUD, and the developer is only seeking to modify the existing use of the PUD. The City's land use plan provides for future *intensive* urban development. He asked the Board to approve the request for rezoning, which is reasonable and consistent with the land use plan.

- Mr. Chaffee reapproached the podium to say those representing the applicant contradicted themselves when they spoke.
- Sondra Jones of 401 Ginger Drive stressed how unsafe it is to exit the Lake Tyler development. She questioned why clutter an area that is already too congested.
- Mr. Watson returned to the podium and questioned at what point tax dollars would not mean more than what constituents have to say.
- Sharon Chu of 522 Dakota Avenue said there had been no transparency from the developers. Since the developer does not respond to her emails, she does not trust anything said this evening.
- John Adams returned to the podium stating it was now clear that the developer would pursue an apartment complex. The community was previously unclear as to the plans.
- Rose Marie Caple of 309 Frida Road enjoys the community, but Lake Tyler still has infrastructure problems. She did not want to see more development when current problems have not been addressed. She opposed any construction as that would change the atmosphere of the area. She suggested the applicant look at other land on Hwy. 43 and suggested the

applicant and City work together to secure additional land for Stares & Stripes.

- Ms. Wallingford returned to the podium to say the lots that are available are also keeping the neighborhood from being turned over to the homeowner's association ("HOA"). The HOA is still under the management of Stares & Stripes. She asked if the new development would encroach on their amenities. If the developer cannot finish its current project and sell the 99 lots remaining, how can it sell apartments? Apartments at the entrance will take away from the community's ambience.
- Mr. Sisco reapproached to say representatives for the applicant provided conflicting information. He asked why residents are not being given the full story.
- Antoinette Boskey returned to the podium and questioned how good a traffic study would truly be since nothing has come from prior studies. She questioned the description of "attainable" versus "affordable" housing.

Alderman Best made a motion to close the public hearing, seconded by Alderman Kinsey. The motion carried unanimously 7-0.

Alderman Best thanked all citizens who attended the public hearing and acknowledged their emails, phone calls, and texts. She said the rezoning will not just affect Lake Tyler, but also Gracie Farms, Planters Ridge, Briarwood Lane, and others in the area. As a homeowner, she would not want a multi-family 200-unit apartment complex in front of her home. Everyone who spoke was in opposition of the request and has just cause for that opposition. She visited the area and was amazed at the number of existing homes. She felt an additional 200 homes would bring an influx of people and more traffic to an already congested area. An influx of people brings more noise, crime, violence, etc. Having heard the citizens' comments, she said her constituents were in opposition and she would have to go along with them and vote no on the request. The City has asked the State for a traffic light at the entrance of Lake Tyler, but to no avail. Regardless of the outcome of the rezoning request, she said the Board would still attack that topic.

Alderman Kinsey said counsel presented its case well, although there was a communication breakdown with the residents regarding traffic in the area. He felt residents needed that information and asked when it would be relayed. Mr. Remington said that information comes up during the subsequent processes. This request only considers rezoning and whether it is a reasonable request. The next steps include a quasi-judicial process that involves public hearings. He noted the area has been established as a PUD since before 2008.

Mr. Thomas stated a traffic impact analysis ("TIA") was performed at the time Lake Tyler was developed. That study reviewed traffic at that time. Whether the property remains R10A or is rezoned to R8, the same process will be undertaken. At this stage there is no site-specific plan, per Mr. Remington. Once a plan is developed, the number of units may be reduced because of wetlands. However, during this rezoning process, that type of information is not required. The Board only has to

consider whether this request is consistent with the City's land use plan. The area is identified as an urban intense development.

Alderman Aster said the only thing being considered is possibly an increase from 177 apartment units to 222. No matter what action the Board takes, the developer is going to tear down the woods and build apartments. Mayor Odham reminded everyone that with parking and other amenities 177 units is not a reasonable expectation. That is the maximum should every inch of the land be developed. The issue is infield development requires a process, and this is the first step of the process. If more communication had occurred prior to this hearing, there may not be a courtroom full of angry residents. He asked staff to approach the podium and discuss what is currently allowable.

Mrs. Rhue said she included the number of units in her presentation simply to show the request is for a density increase. The PUD is valid and can be pursued now. Amenities such as parking, streets, etc. will reduce the size of the development. All the concerns expressed tonight would have to be addressed during the development process. Mayor Odham noted while all the expressed concerns are valid, the Board is not being asked to consider the traffic impact, noise, etc.

Alderman Prill asked what portion of the land is likely developable. Mrs. Rhue said each case is different, but she thought maybe 50-70%. Mr. Stanley agreed it would likely be 60-70%. Alderman Prill reiterated the Mayor's earlier comment and said the estimated units should be decreased by 30-40%. For example, 222 units would be decreased by 66-88 units. The result is the number of units that would likely be approved under R8. The PUD was approved before the current owner acquired the property in 2016. Alderman Prill questioned why Stares & Stripes waited until now to make the request instead of back in 2016, and Mr. Remington responded there were things to be addressed with the subdivision first. When Stares & Stripes purchased the property, there were not a lot of homes in the subdivision. Now the developer is working on the outer edge of the property. Alderman Prill said the request would be more palatable when there are less residents and homeowners in the development. He asked about thresholds that must be met for a traffic light. Mr. Thomas said the TIA likely referred to the number of units that would be needed to trigger NCDOT to put in a light, and he felt the issue would be addressed when the TIA is updated.

Alderman Prill confirmed with the City Attorney that the Board could not impose conditions. Mr. Davis reminded the Board it is considering a rezoning request. While everyone wants to know the proposed project associated with the rezoning, he recommended assuming the most burdensome use in a zone and then ask if that use is reasonable. The most burdensome use in an R8 zone is multifamily. New Bern does not have conditional zoning. Alderman Prill pointed out the Planning and Zoning Board voted unanimously that the rezoning request was reasonable and consistent with city plans.

Alderman Royal thanked the residents for expressing their concern. In his statement, Mr. Johnson said the Board should focus on the land use. He did not

talk about the citizens' investment, and she felt the Board's focus should be on residents. She too would not want an apartment in front of her home. No matter the outcome of the Board's decision, she encouraged citizens to follow the process as their voice has value. She announced she was also opposed to the rezoning.

Alderman Brinson reiterated the developer currently has authority to do everything that they are proposing. Under current zoning, the developer can ask for a special use permit for apartments. That is not the request before the Board this evening. Alderman Aster confirmed the Board's only duty tonight is to determine whether the request is consistent or inconsistent with the city's plans.

Mayor Odham noted the property is currently R10A from corner to corner and all adjacent properties are zoned A5, R20, and R6. He advised the Board to keep that in mind when technically, not politically, considering whether the request fits in with the land use ordinance.

Alderman Best made a motion to not adopt an ordinance to rezone properties on Washington Post Road identified as Tax Parcel IDs 8-223-003 and 8-223-004 from R10A to R8, seconded by Alderman Royal. Attorney Davis stated the motion would need to include that Alderman Best finds the request is inconsistent with city plans. Alderman Best then added "and inconsistent with city plans", and Alderman Royal confirmed she was in support of the amendment to the motion. The motion carried 4-3 with Mayor Odham and Aldermen Prill and Aster voting against it.

Alderman Best made a motion to take a 10-minute recess, seconded by Alderman Royal. The motion carried unanimously, time being 8:10 pm. The meeting resumed at 8:21 p.m.

11. Conduct a Public Hearing and Consider Adopting an Ordinance to Rezone 3208 Oaks Road (Tax Parcel ID 8-031-A-032).

Jason Sanderson requested to rezone a 0.92+/- acre parcel from R-10 Residential District to C-4 Neighborhood Business District. The parcel, identified as Tax Parcel ID 8-031-A-032, is located on the north side of Oaks Road near North First Avenue. The Planning and Zoning Board unanimously approved the request at its June 06, 2023 meeting.

(Alderman Kinsey returned to the room at 8:23 p.m.)

Mayor Odham opened the public hearing, and the following came forward to speak:

- Jason Sanderson, the realtor selling the property, said the desire is to convert the church on the property to a funeral home. Cremations will not take place at the facility. The property will still have similar use to that of a church with respect to traffic. Rezoning the property allows it to operate as a business and puts it on the tax base.
- Mike Duffy of 121 Mourning Dove Trail said 78% of all rezoning in North Carolina cities the size of New Bern or larger is conditional. He opposed the rezoning. He expressed concern about a property on Oaks Road that sought rezoning whereby the owner started making changes to the property prior to

the request being considered. He stated spot rezoning under NC law requires a more intensive review. He also felt the PowerPoint staff presented did not include a list of all permissible uses.

- Jessica Watson of 105 N. First Avenue stated her fence line abuts the subject property. She did not desire a commercial property adjacent to her home and pointed out the area is predominantly residential.
- In response to Mrs. Watson's concerns, Mr. Sanderson reapproached the podium to announce the current buyer will be installing a tall vinyl fence. There will be little change in operation of the property. Only small services will be conducted at the facility. The potential buyer is a good Christian man who would be a great neighbor.
- Mr. Duffy reapproached the podium to remind the Board that the zoning transfers with the sale of the land.
- Brad Watson of 105 N. First Avenue said the only parking on the property is at the back, which abuts to his property. If the rear of the property is paved, he was concerned about the inability of stormwater to run off. Once the property is rezoned, the funeral home could be sold and a different business operated at that site.
- Tony Bryant of 903 South Glenburnie Road said that area is primarily residential and needs to stay that way. There are a lot of requests to rezone property in the area. While he supports development, he asked the Board to always side with the residents.

(Alderman Kinsey momentarily stepped out at 8:48 p.m.)

Oaks Road is a busy, narrow road. He asked the Board to not approve the request.

- Mr. Duffy said the property also included a home, and the house will also be rezoned if the request is approved.

Alderman Best made a motion to close the public hearing, seconded by Alderman Brinson. The motion carried unanimously 7-0.

Mayor Odham confirmed with Mrs. Rhue that if the property is rezoned it cannot be used as a church. At the request of Alderman Prill, Mr. Davis explained the history of a conditional use permit and confirmed the City currently does not provide for such a permit in its land use ordinance.

(Alderman Kinsey returned to the room at 8:53 p.m.)

Alderman Best made a motion to adopt an ordinance to rezone 3208 Oaks Road (Tax Parcel ID 8-031-A-032) from R10 to C4 and that it is consistent with city ordinances, seconded by Alderman Kinsey. Upon a roll-call vote, the motion failed 3-4 with Mayor Odham and Aldermen Prill, Royal and Brinson voting against it.

12. Conduct a Public Hearing and Consider Adopting an Ordinance to Initially Zone 29 Properties Identified as Tax Parcel IDs 7-103-010, 7-103-011, 7-103-017, 7-103-018, 7-103-019, 7-103-020, 7-103-064, 7-103-099, 7-103-12001, 7-103-16001, 7-103-19000, 7-103-202, 7-103-204, 7-103-7002, 7-103-9006, 7-103-9008, 7-103-9009, 7-104-12001, 7-104-12003, 7-104-14009, 7-104-9012, 7-300-2000, 7-RAILRD-NCRR, 8-222-074, 8-222-169, 8-222-25000, 8-222-25001, 7-003-11000, and 7-024-019.

Staff identified 29 parcels that were annexed into the City without being assigned a zoning designation. Most of the parcels are adjacent to NC Hwy. 55W, Coastal Carolina Regional Airport, and off Highway 70 near Carolina Colours. The parcels were evaluated to determine appropriate zoning. Property owners were notified by mail on May 11, 2023, and several contacted Development Services with questions. No negative feedback was received. The Planning and Zoning Board unanimously approved the initial zoning designations at its June 06, 2023 meeting. Mrs. Rhue described the issues associated with an absence of zoning.

Mayor Odham inquired as to what steps are being taken to ensure this situation does not happen again. Moving forward, Mrs. Rhue stated she did not anticipate this happening again. Mr. Davis stated the best practice is to rezone at the time of annexation.

Mayor Odham opened the public hearing, and the following came forward to speak:

- Charles Curtis, property owner of 1117 Brices Creek Road, asked for clarification if he would need to do anything to make sure the R20 zoning would only apply to half of his property. Mr. Davis stated the City could not zone beyond its border.
- Daniel Stanton, an attorney with Dunn and Pittman, represented the Arthurs, who are affected landowners. He has worked with the owners and staff to keep the property consistent with agricultural use. He asked that the Board adopt the recommendations.

Alderman Aster made a motion to close the public hearing, seconded by Alderman Best. The motion carried unanimously 7-0.

Alderman Prill made a motion to adopt an ordinance to initially zone 29 properties identified as the parcels “on the list” (Tax Parcel IDs 7-103-010, 7-103-011, 7-103-017, 7-103-018, 7-103-019, 7-103-020, 7-103-064, 7-103-099, 7-103-12001, 7-103-16001, 7-103-19000, 7-103-202, 7-103-204, 7-103-7002, 7-103-9006, 7-103-9008, 7-103-9009, 7-104-12001, 7-104-12003, 7-104-14009, 7-104-9012, 7-300-2000, 7-RAILRD-NCRR, 8-222-074, 8-222-169, 8-222-25000, 8-222-25001, 7-003-11000, and 7-024-019), seconded by Alderman Royal. Upon a roll-call vote, the motion carried unanimously 7-0.

13. Presentation of the 2023 Retail Market Analysis for the City of New Bern.

The City contracted with Stratford Analytics, LLC to perform a retail market analysis to assess opportunities for retail development in the City of New Bern. Chris

Seaberg, Community and Economic Development Manager, stated the purpose of the report was to identify retail leakage to surrounding areas and review development opportunities. The analysis focused on three geographical boundaries and four retail centers. Dr. William “Jason” Rowe shared a PowerPoint presentation to review the findings and recommendations. There is much opportunity in New Bern, which is growing and modernizing at the same time. The next step would be to develop a strategy to address the findings of the analysis. Dr. Rowe offered to meet again to further review the data in more detail, and Mayor Odham was interested in a meeting and suggested Jeff Wood, Craven County’s Economic Development Director, be invited as well. Alderman Brinson also expressed interest in being a part of that meeting.

Mr. Seaberg noted staff is working on a retail inventory. This is in preparation of retail retention and attraction.

14. Presentation on Financing Options.

Ted Cole, Senior Vice President and Manager of Public Finance with Davenport & Co., shared a presentation to review financing options and recommendations for the Stanley White Recreation Center, sewer improvement projects, and Fiscal Year 2023-24 vehicle and equipment capital purchases. Kim Ostrom, Director of Finance, noted staff met with the Local Government Commission (“LGC”) this morning. A small package was provided to the Board to give an overview of that meeting.

Mr. Cole noted the vehicles and equipment will be financed through an installment purchase loan and will not require LGC approval. Funding for the recreation center and sewer improvements will require LGC approval. The recreation center will be financed for 15 or 20 years and will require a public hearing since the project involves real property. Sewer improvements will be funded through revenue bonds for a 15 or 20-year term. With revenue bonds, the lender takes a lien against all the City’s utility revenues. While interest rates are not as low as they were a year or year and a half ago, they are attractive from a historical standpoint according to Mr. Cole.

Alderman Prill asked what percentage of the \$4.9 million for vehicles and equipment was associated with the general fund versus the enterprise funds. Mrs. Ostrom responded \$2.6 million was related to the general fund.

15. Consider Adopting an Ordinance for the Demolition of 1503 Queen Anne Lane.

A letter of minimum housing deficiencies was sent to the owner of 1503 Queen Anne Lane on October 10, 2022. Staff contacted the heirs to the property on March 27, 2023, who confirmed the owner was deceased and expressed their position of wanting nothing to do with the property. A complaint was filed on April 03, 2023 alleging the structure unfit for human habitation. A hearing was scheduled for April 26, 2023, and attended by an heir and potential buyer. The heirs were unsuccessful

in multiple attempts to sell the property. Patrick Ezel, Minimum Housing and Nuisance Supervisor, stated to date permits have not been obtained for the necessary repairs, and the structure remains noncompliant. Public Works estimates the cost of demolition at \$7,590. Pictures of the property and a complete list of chronological events was provided to the Board. Mr. Ezel also pointed out the address of the property is 1503 Queen Anne Lane, not 1503 Queen Anne Street as noted on the agenda.

(Alderman Kinsey momentarily stepped out of the room at 9:57 p.m.)

Alderman Brinson asked whether someone was living in the property, as the packet indicates the property was occupied on May 04, 2023. Mr. Ezel stated the gentleman who was living there is the same gentleman who was living in the property when the owner passed away. He had been living there with no lease. At Mr. Ezel's last check, the property was not occupied and there was no evidence of an occupant today. If there is a resident in the structure, the appropriate legal process (summary ejectment) will be followed before the house is demolished.

Alderman Royal asked about someone who had interest in buying the property. Mr. Ezel said there were conversations with several people who had expressed interest, but none of which came to fruition.

Alderman Prill made a motion to adopt an ordinance for the demolition of 1503 Queen Anne Lane, seconded by Alderman Royal.

(Alderman Kinsey returned to the room at 10:00 p.m.)

Upon a roll-call vote, the motion carried unanimously 7-0.

16. Consider Adopting an Ordinance to Establish the Stanley White Recreation Center Project.

The City has received \$500,000 in insurance proceeds and allocated funds of \$7,506,659 from FEMA to rebuild the Stanley White Recreation Center. On May 23, 2023, the Board authorized the execution of a \$13,180,400 contract with T.A. Loving for construction of the facility. This ordinance will establish the project fund utilizing the insurance proceeds, FEMA funds, and debt proceeds.

Alderman Royal made a motion to adopt an ordinance to establish the Stanley White Recreation Center project fund, seconded by Alderman Brinson. Upon a roll-call vote, the motion carried unanimously 7-0.

NOTE: Items 17, 18, and 19 were voted on collaboratively as noted under Item 19.

17. Consider Adopting a Resolution Approving a Declaration of Intent to Reimburse the Stanley White Recreation Center Project.

Pursuant to IRS regulations, it is necessary to adopt a Declaration of Official Intent to Reimburse prior to incurring expenses for the Stanley White Recreation Center Project. Doing so allows the City to pay itself back for items paid for prior to obtaining financing. The cost of the project will be paid through a combination of insurance proceeds, FEMA funding, and debt financing not to exceed \$10,000,000.

18. Consider Adopting a Resolution Approving a Declaration of Intent to Reimburse FY24 Vehicles and Equipment.

The adopted budget for FY23-24 included the purchase of vehicle and equipment capital items totaling \$4,817,506. Pursuant to IRS regulations, it is necessary to adopt a Declaration of Official Intent to Reimburse prior to incurring expenses for the purchases. Doing so allows the City to pay itself back for items paid for prior to obtaining financing.

19. Consider Adopting a Resolution Approving a Declaration of Intent to Reimburse the Northwest Interceptor Rehabilitation Phase II Project.

The Northwest Interceptor Rehabilitation Phase II Project Fund was established on April 26, 2022, and a contract tentatively awarded to Insituform Technologies in the amount of \$1,244,166.60 on June 12, 2023. The project will be funded with \$230,000 in ARPA grant funds and the remainder from financing proceeds. Pursuant to IRS regulations, it is necessary to adopt a Declaration of Official Intent to Reimburse prior to incurring expenses for the purchases. As noted previously, doing so allows the City to pay itself back for items paid for prior to obtaining financing.

Alderman Brinson made a motion to adopt resolutions approving declarations of intent to reimburse the Stanley White Recreation Center project, the FY24 vehicles and equipment, and the Northwest Interceptor Rehabilitation Phase II project, seconded by Alderman Prill. Upon a roll-call vote, the motion carried unanimously 7-0.

20. Consider Adopting a Budget Ordinance Amendment for Fiscal Year 2023-24.

This ordinance amends the FY23-24 General Fund operating budget by appropriating \$360,000 from fund balance for street resurfacing and \$220,000 for sidewalk and curb improvements. These funds were budgeted in FY22-23, but since the projects were not completed, the unencumbered funds were returned to the General Fund's fund balance. The amendment also appropriates \$62,000 from fund balance for anticipated overtime in the Fire Department and \$189,000 for an increase in property and equipment insurance costs.

Alderman Prill made a motion to adopt a budget ordinance amendment for Fiscal Year 2023-24, seconded by Alderman Brinson. Upon a roll-call vote, the motion carried unanimously 7-0.

21. Appointment(s).

Alderman Royal made a motion to reappoint Mike Duffy as an alternate on the Board of Adjustment, seconded by Alderman Best. The motion carried unanimously 7-0. Mr. Duffy's new term will expire June 30, 2026.

Alderman Royal made a motion to appoint Richard Parsons to the Historic Preservation Commission, seconded by Alderman Best. The motion carried unanimously 7-0. Mr. Parsons will fill Seat 2 previously held by Dr. Ruth Cox, and his term will expire June 30, 2026.

Alderman Aster made a motion to appoint Richard Shultz to the Police Civil Service Board, seconded by Alderman Best. The motion carried unanimously 7-0. Mr. Shultz will fill Seat 5 previously held by Lesley Hunter, and his term will expire on June 30, 2025.

Mayor Odham announced at the next meeting the Board will consider nominations for vacancies on the Redevelopment Commission.

Alderman Brinson received resumes or emails from 12 individuals interested in serving on the Bike and Pedestrian Committee. Ballots were distributed to the Board with all candidates' names, and the Board was instructed to vote for 5 individuals. Since there are staggered terms, Alderman Brinson suggested those with the most votes would receive the longest terms. In the event of a tie, Mr. Davis stated the Board would revote to resolve the tie. After the ballots were distributed and collected by the Clerk, the Board moved to on to Items 22-25 while the votes were tallied.

Ballot Results

The City Clerk revealed the tally of all votes:

- Mary Davidson – 5 votes
- William Hand – 5 votes
- Rob Overman – 5 votes
- Stuart Flythe – 4 votes
- Henry Gleisberg – 3 votes
- Bill Sadler – 3 votes
- Virginia Spencer – 3 votes
- Stephen Clayton – 2 votes
- Ben Lindemann – 2 votes
- Mark Williamson – 2 votes
- Danny Batten – 1 vote
- John Backer – 0 votes

New ballots were distributed for the Board to break the tie among those with three votes. Mayor Odham stated Bill Sadler had been extremely involved in the process from the first time a bike and pedestrian plan was developed, and he is an avid biker who can be seen riding all over. The tally of the tie-breaker votes are as follows:

Bill Sadler – 6 votes
Virginia Spencer – 1 vote
Henry Gleisberg – 0 votes

It was decided terms would be assigned alphabetically for those who received 5 votes in the first round. With that application, terms were established as follows:

Mary Davidson – 3-year term
William Hand – 3-year term
Rob Overman – 2-year term
Stuart Flythe – 2-year term
Bill Sadler – 1-year term

22. Attorney's Report.

The City Attorney had nothing to report.

23. City Manager's Report.

Mr. Hughes reported the following:

- A full update on the BP project will be provided at the first meeting in September.
- The Redevelopment Commission held a special meeting on June 28th, at which time they asked that the City handle the bidding process for the construction of the spec house for the Jones Street project. No one on the Board expressed opposition to this request.

The Commission also asked that the City receive the Bloomfield lot and adjoining properties, take back the allocation of \$350,000 for the wellness center, and build the facility. The Commission recognized it was limited by statute as to what it could do. The City has broader authority to do things, and the project would be more efficiently handled through the City. Mayor Odham stated Reggie Jones, a New Bern citizen, has been a community advocate for this project. The Commission cannot own, lease, or operate the facility, so they are asking the City to step in. The Mayor did not want to diminish the Commission's work on the project, noting they had done a lot of background work and made a lot of connections. While there is positive momentum to move forward, the Redevelopment Commission does not have the legal ability or knowledge of bidding requirements to move forward. Mayor Odham was fully supportive of the project, which was started by the previous Board. The Redevelopment Commission would like to give the "McCotter House" property, the purchased adjacent parcel, and the allocated ARPA funds back to the City. Alderman Brinson said he did not have a

problem with the City taking the property and money, but he was not supportive of the City managing a wellness center, and Mayor Odham agreed. The Commission has been having conversations with potential partners who have the staffing and management ability, but question the Commission on when the facility will be built. Alderman Best did not have a problem with the City taking the property back as long as the facility is built. The Mayor reminded the Board that it would be up to the Board as to whether the project continues once the City takes the property and money back.

24. New Business.

Alderman Best

She is receiving complaints from constituents about a request she has made of staff numerous times to clean up the debris at the front of Evergreen Cemetery. A rotten log has been laying at the front of the property for years, there is overgrown vegetation and a broken fence in the back, and the shelter is leaking. She questioned the delay in addressing these issues. Mr. Hughes stated the shelter was painted last summer and worked on by staff, but he would have them look at it again. Mr. Chiles stated Parks and Recreation usually handles the mowing at that facility, but he would check with them and see if they need help. Alderman Best offered to meet staff on site to pinpoint her areas of concerns.

Alderman Brinson

He attended the meeting of Craven County's Opioid Task Force and sent the Board a summary.

At this point in the meeting, the votes for the Bike and Pedestrian Committee were read by the Clerk as noted above.

25. Closed Session.

A closed session was not needed.

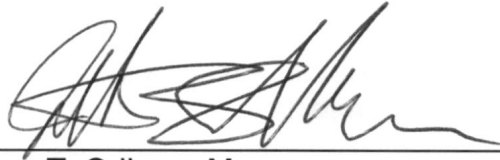
26. Adjourn.

Alderman Royal made a motion to adjourn, seconded by Alderman Aster. The motion carried unanimously 7-0, time being 10:34 p.m.

The attached documents are incorporated herewith and are hereby made a part of these minutes.

NOTE: For additional details and information on the Board of Aldermen meetings, please visit the City of New Bern's website at www.newbernnc.gov. Video and audio recordings of the meeting have been archived.

Minutes approved: July 25, 2023

A handwritten signature in black ink, appearing to read 'Jeffrey T. Odham', written over a horizontal line.

Jeffrey T. Odham, Mayor

A handwritten signature in black ink, appearing to read 'Brenda E. Blanco', written over a horizontal line.

Brenda E. Blanco, City Clerk