

**City of New Bern**  
**Special Interest Meeting**

**June 25, 2020- 4PM**

**Development Services Conference Room**

**303 First Street**

**Members Present:** Chair Tharesa Lee, Co-Chair Jaimee Bullock-Mosley, John Young, Beth Walker, Kip Peregoy, Steve Strickland, Maria Cho

**Ex-Officio Members Present:** Alderwoman Sabrina Bengel

**Members Excused (E)/Absent (A):** Leander Morgan (A), Tabari Wallace (A)

**Staff Present:** Alice Wilson, GIS Manager; Amanda Ohlensehlen, Community and Economic Development Manager; D'Aja Fulmore, Community Development Coordinator

**1. Welcome and Call to Order**

Chair Tharesa Lee called the meeting to order at 4:00pm.

**2. Public Comment**

No public comments were received.

**3. Review the proposal to purchase and rehabilitate 1023 Pollock Street**

Chair Lee opened the meeting by telling the Commission that the meeting was called to review a proposal to potentially purchase the property located at 1023 Pollock Street. Chair Lee called on Amanda Ohlensehlen, Community and Economic Development Manager, to provide an overview of the property. Mrs. Ohlensehlen began to provide pertinent information about the property at 1023 Pollock Street. Mrs. Ohlensehlen provided stated that the Parcel ID is #8-009-002) and is listed for sale as a 4-bedroom, 3- bathroom single family residence totaling approximately 2350 +/- sq. feet. Mrs. Ohlensehlen explained that the property has potential to become a duplex with 2 rental units, with each floor representing a unit. Mrs. Ohlensehlen explained that the property had been inspected and is listed for \$45,000 with an estimated renovation cost being approximately \$200,000. Mrs. Ohlensehlen explained how the project aligns with Goal 2 of the Redevelopment Plan which targets the appearance and quality of housing stock in the redevelopment boundary area, along with specific policies in the plan that detail identifying, purchasing, and rehabilitating residential structures. Mrs. Ohlensehlen stated that the housing committee recently met and discussed identifying potential projects that are not in the flood zone and the property at 1023 Pollock meets this requirement.

Commissioner Steve Strickland stated that Focus Area 1 requires a massive effort. Commissioner Strickland also stated that the further the Commission goes back in Duffyfield, the harder it becomes to obtain houses to invest in, as many of them will have to be elevated. Commissioner Strickland stated that the house located at 1023 Pollock Street gives the Commission a chance to find a home outside of flood plain to begin the Commission's goal. Commissioner Strickland provided a worksheet that included the HUD Fair Market Rates, along with the breakdown of return of investment. Commissioner Strickland explained that the numbers do not show a promising investment and the Commission should not expect to make much back. Commissioner Strickland told commissioners that while that is true, it is important to also remember that the main focus has not been on making money as much as it has been on fulfilling a greater social mission.

Commissioner Maria Cho asked the Commission for clarification on the asking price for the home and the cost the owner paid for the home. The Commission responded stating that the asking price is \$45,000 and the owner paid \$37,000 for the home. Commissioner Cho also stated that she felt the Fair Market Rates seemed a bit high. Commissioner Strickland reminded the Commission that HUD will pay a portion of the rent and it would not entirely be paid by the renter.

Commissioner John Young explained that he felt it made no sense to invest in this project and felt the investment of \$200,000 was a staggering cost.

Commissioner Kip Peregoy told the Commission that this project is something worth careful consideration. Commissioner Peregoy posed the question: Do we want this to be our first venture as a Commission? Additionally, Commissioner Peregoy asked if someone could explain where the funding will come from for this project. Mrs. Ohlensehlen explained that CDBG funds could possibly be used for the project and Commissioner Peregoy noted that there may be other funding that could become available from the City.

As the discussion progressed, members assessed property around the house at 1023 Pollock Street to see more redevelopment potential. While assessing the property, the Commission noticed that most of the surrounding properties were owned by Alderwoman Sabrina Bengel and her husband. Co-Chair Jaimee Bullock stated that she felt Commissioner Strickland made a great point when stating that the Commission should make a choice looking at the financials while also remembering the social good of the project. Co-Chair Bullock asked that the Commission carefully look at the message the project will send to the community and how it will open the door for later projects. Alderwoman Bengel mentioned she had toured the property previously and gave input, stating that she does not think the investment makes any financial sense but serving the needs of the community is top priority. Alderwoman Bengel also stated that maybe the person selling the property would possibly consider donating it to the Commission. Commissioner Young stated that he felt the funding could be put to better use in another community. Alderwoman Bengel told the Commission that the property across the street from the home would be a future Chess park developed by her and her husband.



Chair Lee redirected the Commission to make a vote. Commissioner Peregoy made a motion that the Commission make an offer on the property to NOT exceed \$25,000. This motion was seconded by Co-Chair Bullock. Commissioners unanimously voted in favor of the motion. Commissioner Peregoy noted that a due diligence period will definitely be needed.

#### 4. New Business

No new business was discussed.

#### 5. Adjourn

This meeting adjourned at 5:00PM.

Date approved: 8/12/2020

  
Theresa Lee, Chairman

Attest:   
D'Aja Fulmore, Recording Secretary