

**Town Council Minutes
Morehead City, North Carolina**

Tuesday, September 8, 2020

The Honorable Council of the Town of Morehead City held the Regular monthly meeting on Tuesday, September 8, 2020, in the Municipal Chambers located at 202 South 8th Street, Morehead City, North Carolina.

This meeting was partially conducted utilizing Zoom Video Communication Inc. software due to the COVID-19 crisis and Governor Cooper's Executive Order 141 imposing the requirement to maintain six-foot (6') distancing. Those in attendance were:

COUNCIL PRESENT: Mayor Gerald A. Jones, Jr.; Councilmembers George Ballou, David Horton, Keri V. McCann, William Taylor and Diane C. Warrender.

STAFF PRESENT: City Manager Ryan Eggleston; City Attorney Derek Taylor, Fire Chief Jamie Fulk, Police Chief Bernette Morris, Human Resources Director Susan Nixon, Communications Director Alize Proisy, Planning Director Sandi Watkins, Public Services Director Daniel Williams, Code Enforcement Officer Barb Lynch, Fire/EMS Coordinator Kelly Urban, and City Clerk Cathy Campbell.

OTHERS PRESENT: Elise Clouser of the Carteret News Times.

STAFF PARTICIPATING VIA ZOOM: City Attorney Mike Thomas, Finance Director Jewel Lasater, Assistant Finance Director Leeann Vinson, Deputy Clerk/Executive Assistant Kathy Eagle.

OTHERS PARTICIPATING VIA ZOOM: Lee Hinson and Lisa Rueh of Downtown Morehead City Inc., Linda Jendro, George Hester, Curtis Oden, Missy Oden, and Diane Tootle

Mayor Jones called the regular meeting of the Morehead City Town Council to order at 5:32 p.m. with a quorum present. Councilmember Ballou gave the invocation and Mayor Jones led all in the Pledge of Allegiance.

Mayor Jones gave instructions for participating via Zoom or telephone, including instructions on how to indicate a desire to speak during the citizen comment period.

CONSENT AGENDA ITEMS

Mayor Jones asked if there were any questions concerning the Consent Agenda items. Hearing none, Councilmember McCann made a motion **to approve the Consent Agenda as presented.** Councilmember Taylor seconded and the motion carried unanimously. (5-0)

Included within the Consent Agenda were the following approvals:

- A. Approve the Minutes of the August 4, 2020 Town Council Workshop Meeting.
- B. Approve the Minutes of the August 11, 2020 Regular Town Council Meeting.
- C. Accept the Finance Director and Tax Collector Reports.
- D. Accept Notice of Ad Valorem Tax Overpayments in the amount of \$66,564.29 for the month of August 2020.
- E. Approve the Requests for Refunds of Overpayment of Ad Valorem Taxes in the amount of \$60,702.28 for August 2020.
- F. Accept FYE 6/30/20 Sale of Surplus Under Ordinance Threshold Report.
- G. Accept Contingency Emergency Budget Amendment Report As Presented.
- H. Adopt General Fund Budget Ordinance Amendment 2020-14 As Presented.
- I. Adopt General Fund Capital Project Budget Ordinance Amendment 2020-15 As Presented.
- J. Review Water & Sewer Capital Project Fund Budget Ordinance Amendment 2020-16 As Presented.
- K. Review Resolution 2020-R-35 of Plan Consistency for Amending Subsection 2-2 for “Determination”, “Development regulation”, “Evidentiary hearing”, and “Quasi-judicial decision” and by amending Articles 5 and 6 to comply with Chapter 160D of the North Carolina General Statutes.
- L. Review Resolution 2020-R-36 of Plan Consistency for Amending Subsection 2-2.138 of the Unified Development Ordinance (UDO) to adjust the definitions for “Junked Motor Vehicle.”
- M. Adopt and Order Affixed to the Code of Ordinances Ordinance 2020-O-07 Amending Section 30-256 of the Code of Ordinances by Adding Country Club Road, and Adding Section 30-258 Establishing “School Zones” Within the Town of Morehead City.
- N. Adopt Resolution 2020-R-45 Authorizing the City Manager or His Designee to Submit a Coronavirus Relief Fund Plan to the Carteret County Board of Commissioners, and to Take Such Actions that Shall be Necessary and Required, as They May Relate to the Plan.
- O. Approve Personnel Policies Addendum in Response to Families First Coronavirus Response Act Amendment #1.

- P. Approve Duke Energy Progress, LLC’s Easement Request for 1100 Bridges Street as Presented.
- Q. Approve Purchase Four (4) Tempus Cardiac Monitor/Defibrillators from Code Blue in the Amount of \$159,902.92.
- R. Approve Proposal for New Custodian Position as Presented.
- S. Accept Proposed Mission Statement for the Town of Morehead City As Presented. *“Morehead City is dedicated to the well-being and safety of our community through exceptional service with a warm coastal smile.”*

All above noted resolutions are attached to and made a part of these minutes herein by reference. Ordinances are filed in Ordinance Book #8.

CONDEMNATION HEARINGS

Condemnation Hearing for 4004 Arendell Street

Mayor Jones stated that Council would conduct a hearing for an appeal of the building inspector’s order to demolish the structure located at 4004 Arendell Street. The appeal was submitted by Brenda Johnson, Sherry Arthur, and Herman Wetherington, Jr. seeking additional time to demolish the structure.

Mayor Jones called for a disclosure of any conflicts of interest councilmembers may have as a result of family members or themselves having a material financial interest in the outcome of the case, or if any member of the Council has a fixed opinion on the case that is not susceptible to change. None were communicated. Building Inspector Robert Davis, Brenda Johnson and Sherry Arthur were sworn to give testimony in the case.

Councilmember Ballou made a motion **to open the appeal hearing**. Councilmember Horton seconded and the motion carried unanimously. (5-0)

Mr. Davis stated that a hearing was held on January 31, 2020 concerning the condition of the structure with all three owners present. A commercial structure is present on the property with conditions that make it unsuitable for human habitation. The structure is in violation of North Carolina General Statute 160A-426 due to the following:

- the structure constitutes a fire and safety hazard;
- the structure is dangerous to life, health, and property;
- the structure is likely to cause or contribute to blight, disease, vagrancy, and danger to children; and
- the structure has a tendency to attract persons intent on criminal activities or other activities which would constitute a public nuisance.

An order was issued for the structure to be demolished within 60-days of the date of the order. The deadline date for demolition was April 5, 2020. An appeal was received February 12, 2020 requesting more time. Pictures of the property were displayed on projection screens. *(The same pictures were included as part of the meeting packet.)* Mr. Davis stated that some of the pictures were taken in January 2020 and some were taken on August 31, 2020.

Mayor Jones asked if he would like his report entered as evidence. Mr. Davis answered affirmatively and presented his report to the City Clerk. No objections to the report were voiced. *(The report is also entered as part of the meeting packet.)*

The appellants stated that they had no questions at this time.

In response to Councilmember Ballou's question, Mr. Davis stated that he has not observed any improvements on the property since the order was issued.

Ms. Arthur responded stating that Mr. Davis told them that the property could not be improved and must be torn down. She continued by saying that there has been improvement so far as stuff has been removed from the inside of the building and the yard has been cleaned up a little bit. They were waiting to see how much time they would have to demolish it due to the cost. Ms. Arthur stated that Mr. Wetherington does not have the money to demo the structure so she and her sister (Brenda Johnson) will have to take care of it. In response to her brother's plea, they tried to sell the property with no success. Ms. Arthur stated that it was her understanding that everything was put on hold at the March meeting, and that they were to come back in six (6) months to see what would happen. They were waiting to see if they would have time to sell it.

Mayor Jones asked how much time was needed. Ms. Arthur stated that she was unsure. When asked if sixty (60) days would be sufficient, Ms. Arthur responded affirmatively. She then stated that they have someone lined up to demolish the structure if they are unable to sell it. Ms. Johnson reported that they are still doing their due diligence to confirm the contractor's reliability. If he proves unreliable, sixty (60) days may not be enough time, ninety (90) days would be better.

Ms. Arthur requested that the City provide a list, to be shared with the contractor, of things that must be completed as part of the demolition to satisfy the Town. Mr. Davis was asked to provide Ms. Arthur with the information.

Councilmember Ballou made a motion **to close the appeal hearing**. Councilmember Horton seconded and the motion carried unanimously. *(5-0)*

Councilmember Ballou stated that he felt a 90-day extension is reasonable since Ms. Johnson and Ms. Arthur are trying to help their brother address the issue; therefore, Councilmember Ballou made a motion to grant a ninety (90) day extension. Councilmember Horton seconded.

At this time, Councilmember Taylor requested that the motion be amended to grant a ninety (90) day extension contingent upon the structure being demolished on or before December 8, 2020. (90-days from today). Councilmember Ballou agreed and modified his motion **to grant a ninety (90) day extension contingent upon the structure being demolished on or before December 8, 2020.** Unanimously approved. (5-0)

Mr. Davis explained that if the structure is not demolished by December 8, 2020, the next step would be to present a resolution to demolish to the Council for adoption, giving him the authority to demolish the structure and to place a lien against the property for the cost.

Condemnation Hearing for 1008 Bay Street

Mayor Jones stated that Council would conduct a hearing for an appeal of the building inspector's order to demolish the structure located at 1008 Bay Street. The appeal was submitted by Samuel D. Collins. Mr. Collins is requesting one of two options: 1) at least six (6) months to repair and remodel the home; or 2) six (6) months to demolish the home.

Mayor Jones called for a disclosure of any conflicts of interest councilmembers may have as a result of family members or themselves having a material financial interest in the outcome of the case, or if any member of the Council has a fixed opinion on the case that is not susceptible to change. None were communicated. Building Inspector Robert Davis and Samuel D. Collins were sworn to give testimony in the case.

Councilmember Taylor made a motion **to open the appeal hearing.** Councilmember Ballou seconded and the motion carried unanimously. (5-0)

Mr. Davis stated that the hearing was held on January 24, 2020 concerning the condition of the structure with Mr. Collins present. The structure present on the property has conditions that make it unsuitable for human habitation. The structure is in violation of North Carolina General Statute 160A-426 due to the following:

- the structure constitutes a fire and safety hazard;
- the structure is dangerous to life, health, and property;
- the structure is likely to cause or contribute to blight, disease, vagrancy, and danger to children; and
- the structure has a tendency to attract persons intent on criminal activities or other activities which would constitute a public nuisance.

An order was issued for the un-occupied structure to be demolished within 60-days of the date of the order. The deadline date for demolition was March 28, 2020. An appeal was received February 5, 2020 requesting more time. Mr. Davis noted that the date of appeal was incorrectly stated as February 9, 2020 in the meeting packet. Pictures of the property were displayed on projection screens. (*The same pictures were included as part of the meeting packet.*) Mr. Davis stated that some of the pictures were taken in January 2020 and some were taken on August 31, 2020.

Mayor Jones asked if he would like his report entered as evidence. Mr. Davis answered affirmatively and presented his report to the City Clerk. No objections to the report were voiced. *(The report is also entered as part of the meeting packet.)*

The appellants stated that they had no questions at this time.

City Attorney Derek Taylor asked Mr. Davis why he recommended demolition rather than repairs. Mr. Davis stated that looking through the windows, the structure is completely gutted and some issues on the roof indicate structural damage.

Mr. Collins stated that he is requesting an additional six (6) months because the home is not beyond repair. The roof does have some damage, but until he can secure the finances, he is unable to make the repairs. He stated that he is seeking assistance through NC Rebuild to repair the home and is awaiting an answer regarding qualification. If not accepted for repair, they will offer funds to demolish. He expects that something will be done within six (6) months.

Councilmember Taylor asked if he had submitted the application. Mr. Collins responded stating that NC Rebuild is revitalizing their contracts, but it is his understanding that the funds are available and it is just a matter of them revitalizing the contract to see who qualifies. He added that they have verbally verified that he would qualify based on the home being a rental property. He was advised that following completion of the repairs, he will be required to lease the house at a specified amount.

City Clerk Cathy Campbell was asked if someone from NC Build had called to request to speak at the hearing. Ms. Campbell stated that a gentleman called from Legal Aid of NC regarding NC Build saying that he would like to attend the meeting in person. He did not indicate that he would be testifying during a hearing. It was explained that there were six (6) public hearings and it was unknown if attendance could be accommodated due to the requirement to maintain social distancing.

Councilmember Warrender asked for clarification that Mr. Collins does not have the funds to repair the home without assistance. Mr. Collins stated, at this time, he does not. Councilmember Warrender then asked if the situation was the same in January. He confirmed that it was. Responding to Councilmember Ballou's question, Mr. Collins stated that he has owned the property since 1999, and at that time it was suitable for leasing. The damage is due to the storm that hit in 2016 or 2017.

Mayor Jones asked if this was the same property in which he spoke with the Fire Department about doing a control burn. Mr. Collins answered affirmatively. Mr. Collins stated that it is his understanding that the house is determined to be too close to the neighboring structures and a fire would cause damage to the others. Mr. Collins confirmed that he would like to rebuild, and would like additional time to pursue the NC Build option.

At this time, Fire Chief Jamie Fulk was called forward and sworn. Chief Fulk stated that the subject house and two (2) others have less than fifty (50) feet of separation between them,

which is considered exposure. The only way the subject structure could be destroyed by control burn, would be to obtain permission from all homeowners to burn all three (3) at the same time.

Councilmember Ballou asked how he determined that a six (6) month delay would be sufficient. Mr. Collins stated that he thought the COVID pandemic should have calmed down by that time and that he would be in a better financial position.

At this time, Planning Director Sandi Watkins came forward and was sworn in order to answer Councilmember Horton's question. Councilmember Horton asked if she was familiar with NC Build and what Mr. Collins' chances were for receiving the funds needed to repair the home. Ms. Watkins stated that she believes the home has to be owner occupied; however, NC Build does permit individuals to apply even if it appears that they do not qualify. She did not know if they would fund a home that is not owner occupied. As she understands it, although their focus is on owner occupied homes, they accept applications for other properties that were damaged during Hurricanes Florence and Matthew. She had no knowledge of potential applications because they do not come through her department.

Councilmember Taylor was not in favor of a cart-blanche six (6) month extension; however, he suggested a two-month extension to allow time for Mr. Collins to receive an answer regarding a NC Build application. At that point it would be clearer as to whether the funds would be available to rebuild.

Councilmember Ballou asked Attorney Taylor if the Council could grant a ninety (90) day extension and then at that time, if funds are approved through NC Build, grant another extension to allow time for the repairs. Attorney Taylor stated that the Council has some flexibility in setting conditions on extensions; however, Council may choose to continue the hearing to a later date in order to give Mr. Collins time for the application to be acted upon. Council could then rule on the order based on the new evidence.

Attorney Taylor then asked Mr. Collins if he had already applied to NC Build. Mr. Collins stated that he has not. Mr. Collins was then asked if he has any paperwork that would serve as evidence that he is in the process of applying for financial assistance. Mr. Collins stated that he has nothing at all apart from the committee (unidentified) telling him that loans through NC Build were available. Attorney Taylor then asked when he learned from the committee about the program. Mr. Collins said about a week ago and confirmed that he had no knowledge of the program prior to that time.

Mayor Jones stated that Mr. Collins should receive an answer on an application and be able to obtain either a building permit or a demolition permit within ninety (90) days. Mr. Collins agreed to the 90-day extension.

Councilmember Horton made a motion **to close the hearing.** Councilmember Warrender seconded and the motion carried unanimously. (5-0)

At this time, Councilmember Taylor made a motion **to grant a 90-day extension to December 8, 2020 by which time Mr. Collins must obtain a loan for funding and secure all necessary permits to either rebuild or demolish the structure.** Councilmember Warrender seconded and the motion carried unanimously. (5-0)

Condemnation Hearing for 1004 Bay Street

Mayor Jones stated that Council would conduct a hearing for an appeal of the building inspector's order to demolish the structure located at 1004 Bay Street within 60 days of that order. The appeal was submitted by Jesse Moore requesting an additional sixty (60) days to secure financing and a contractor and ninety (90) days to complete the project for a total extension of one hundred and fifty (150) days. Mr. Moore, participating via Zoom with audio but no video capability, stated that he did not recall the exact number of days initially requested; however, at this hearing he requested the one hundred and fifty (150) days. When asked why he needed the extended time, Mr. Moore stated that his income is tied to rental income and given the circumstances due to COVID, he was not confident that sixty (60) would be sufficient.

Mayor Jones called for a disclosure of any conflicts of interest councilmembers may have as a result of family members or themselves having a material financial interest in the outcome of the case, or if any member of the Council has a fixed opinion on the case that is not susceptible to change. None were communicated. Building Inspector Robert Davis and Jesse Moore were sworn to give testimony in the case.

Councilmember Taylor made a motion **to open the appeal hearing.** Councilmember Ballou seconded and the motion carried unanimously. (5-0)

Mr. Davis stated that a hearing was held on January 24, 2020 concerning the condition of the structure. Mr. Moore was not present at the hearing. Mr. Moore contacted Mr. Davis on January 21, 2020 by phone to advise that he would not be available for the hearing either in person or by phone due to medical issues. During this call, Mr. Moore expressed his agreement with the ruling that the structure needs to be demolished and that he is researching contractors for the work.

Mr. Davis continued by presenting the findings of fact in the case. Mr. Jesse Moore is the owner of the property. A structure present on the property has conditions that make it unsuitable for human habitation. The structure is in violation of North Carolina General Statute 160A-426 due to the following:

- the structure constitutes a fire and safety hazard;
- the structure is dangerous to life, health, and property;
- the structure is likely to cause or contribute to blight, disease, vagrancy, and danger to children; and
- the structure has a tendency to attract persons intent on criminal activities or other activities which would constitute a public nuisance.

An order was issued for the un-occupied structure to be demolished within 60-days of the date of the order. The deadline date for demolition was March 28, 2020. An appeal was received

from the owner on February 6, 2020 requesting more time. Pictures of the property were displayed on projection screens. *(The same pictures were included as part of the meeting packet.)* Mr. Davis stated that some of the pictures were taken in January 2020 and some were taken on August 31, 2020. Based upon the pictures, Mr. Davis stated that it appears that nothing has been done to the property since January 2020.

Mayor Jones asked if he would like his report entered as evidence. Mr. Davis answered affirmatively and presented his report to the City Clerk. *(The report is also entered as part of the meeting packet.)*

When asked if he had any comments or objections to the Building Inspector's report, Mr. Moore objected to the comment that nothing had been done. He stated that he has been researching cost to demolish the house and has removed metal and all items in the house in order to bring costs down.

At this time, Mr. Moore confirmed that his appeal is to request one hundred and twenty (120) days to complete the demolition. Councilmember Horton asked Mr. Moore if he would expect the city to move forward with demolition and placing a lien against the property if the structure was not removed by the end of the one hundred and twenty (120) days. Mr. Moore stated that he would if that was the proper procedure.

Councilmember Warrender asked if he would consider allowing the City to initiate the demolition and to place a lien on the property for the cost. Mr. Moore stated that he would be open to considering the proposal, but that he could not make that decision without knowing what the Town would charge. This data had not been presented to him prior to the hearing nor was it available for presentation at the hearing.

Councilmember Horton made a motion **to close the hearing**. Councilmember Ballou seconded and the motion carried unanimously. (5-0)

Councilmember Horton made a motion **to issue a 90-day extension to December 8, 2020 contingent upon the structure being demolished by December 8, 2020**. Councilmember Ballou seconded and the motion carried unanimously. (5-0)

Councilmember McCann asked what would happen should Mr. Moore sell the property within the 90-day extension; would the appeal decision rollover to the new owner? Attorney Taylor confirmed that the decision is tied to the property, therefore it would carry over to the new owner. The owner/real estate agent would be required to disclose the order prior to the sale as the order would be recorded.

Condemnation Hearing for 1308 Arendell Street

Mayor Jones stated that Council would conduct a hearing for an appeal of the building inspector's order to demolish the structure located at 1308 Arendell Street within 60 days of that order. The appeal was submitted by Stephen Freeman on behalf of Shelby M. Freeman Family

LTD PR. Mr. Freeman is requesting six (6) months to demolish the structure instead of the sixty (60) days as was ordered.

Mayor Jones called for a disclosure of any conflicts of interest councilmembers may have as a result of family members or themselves having a material financial interest in the outcome of the case, or if any member of the Council has a fixed opinion on the case that is not susceptible to change. None were communicated. Building Inspector Robert Davis and Stephen Freeman were sworn to give testimony in the case.

Councilmember Horton made a motion **to open the appeal hearing**. Councilmember McCann seconded and the motion carried unanimously. (5-0)

Mr. Davis presented his report stating that the hearing was held on January 17, 2020 concerning the condition of the structure. Stephen Freeman was present at the hearing. Shelby M. Freeman Family LTD PR is the owner of the property. The commercial structure present on the property has conditions that make it unsuitable for human habitation. The structure is in violation of North Carolina General Statute 160A-426 due to the following:

- the structure constitutes a fire and safety hazard;
- the structure is dangerous to life, health, and property;
- the structure is likely to cause or contribute to blight, disease, vagrancy, and danger to children; and
- the structure has a tendency to attract persons intent on criminal activities or other activities which would constitute a public nuisance.

An order was issued for the commercial structure to be demolished within 60-days of the date of the order. At the time of the hearing there was no objection to the order to demolish but rather the timeframe for which the structure was to be demolished. The deadline date for demolition was March 22, 2020. An appeal was received from the owner on January 30, 2020. Mr. Stephen Freeman is requesting a 6-month extension to allow more time to comply with the order.

Pictures of the property were displayed on projection screens. *(The same pictures were included as part of the meeting packet.)* Mr. Davis stated that some of the pictures were taken in January 2020 and some were taken on August 31, 2020. Mr. Davis stated that the rear of the building has been somewhat secured since the time the pictures were taken.

Mayor Jones asked if he would like his report entered as evidence. Mr. Davis answered affirmatively and presented his report to the City Clerk. *(The report is also entered as part of the meeting packet.)* No objections to the report being submitted into evidence were presented.

Councilmember Horton stated that this property is different from other properties in that there are vehicles and other equipment and items stored on the property in addition to the structure, and asked for confirmation that the order addresses the structure only. Mr. Davis confirmed that it is limited to the structure located on Arendell Street. The Order does not include the structures on Bridges Street or the miscellaneous items stored on the property. They would be addressed

through zoning regulations. Following additional questions about zoning issues, Attorney Taylor advised that the building inspector can only speak about buildings; he cannot address zoning issues.

Mr. Freeman said that he is appearing on behalf of his father, Shelby Freeman, to make an appeal for an indefinite stay of the order until his father dies. Mr. Freeman then gave a lengthy appeal to include historical information on his father's business activity in the city and the property. He stated that his father is 100 years old and continues to try to operate as a businessman. He visits the property regularly and shows his antique cars when opportunities arise. The front portion of the building, the showroom, is now used to store three (3) surviving antique cars, which his father is trying to sell. The remainder of the existing structure has been sealed off. Several hurricanes destroyed the decaying portions of the building which have been demolished and removed from the property.

Councilmember Horton asked what is keeping Mr. Freeman from repairing the building to make it safe. Mr. Freeman stated that effort has been made to make the building safe and secure as a storage facility. Currently, it is only used to store the antique cars. There is no power service to the building, and the building can only be accessed through the showroom door. The rest of the building is sealed shut from the interior and exterior.

Councilmember Warrender asked about sealing the windows or painting them black so that items stored inside cannot be seen. Mr. Freeman stated that he considered painting but his father would not allow it, so he is considering covering the bottom half of the windows with white paper that will seal it visually, but still allow light to come in.

Councilmember Horton asked Mr. Freeman if he knew what it would cost to bring the building up to standards. Mr. Freeman stated that he did not because he is not sure what is required. He added that he is trying to keep it going for his father.

Councilmember Ballou asked Mr. Davis if it is possible to repair the building to comply with the standards of a storage shed to make it acceptable. Mr. Davis responded stating that it is not a storage building; it is a commercial building and must meet the standards of a commercial building. When asked what would be required to bring it into compliance, Mr. Davis said he would have to reevaluate the building to determine what would be required to make it structurally sound and safe. Mr. Davis stated that if the decision was made to save the building, he would require a report from a structural engineer to ensure its soundness.

Mayor Jones reminded the Council that the appellant is not asking to repair the building but to be given a stay to demolish.

Attorney Taylor advised Council that they are to make a determination based on the evidence before you. Council may not advise the building inspector of what will be acceptable. The building inspector can only act upon the Building Code - is it acceptable or not. If not, he must take action to enforce the Code. Mr. Davis has presented testimony that based on the condition of the building, it must be torn down. Council must now make a decision based on the evidentiary

testimony. Attorney Taylor stated that no one has given testimony of an intent to bring the building up to code or what would be required to do so. Attorney Taylor advised that if the building is not brought up to Code and the building inspector does not enforce the Code, the City could be liable.

Hearing that a citizen participating through Zoom would like to make a comment, Attorney Taylor was asked if this was permissible. Attorney Taylor advised that anyone wishing to speak must have factual testimony and should be sworn. Citizens cannot give comments as allowed during public hearings. Attorney Taylor was asked to qualify the caller to determine if evidence is acceptable.

Missy Oden of 1412 Avery Street spoke via Zoom to encourage Council to be consistent in their decisions regarding the condemnation hearings. Attorney Taylor stated that the comment was not consistent with evidentiary testimony and caller did not need to be sworn.

Based upon the attorney's advice, Councilmember Horton asked Mr. Davis if the building can be brought up to code. Mr. Davis responded saying that he would have to conduct a new inspection of the building and seek engineering evaluation to determine such. Based on the evidence in January, the building must be demolished.

Attorney Taylor addressed Mr. Davis saying that his testimony was that the building needed to be demolished, and asked if he heard any evidence from the appellant during the initial hearing objecting to the demolition of the building. Mr. Davis stated that he did not.

Councilmember Taylor made a motion **to close the appeal hearing**. Councilmember McCann seconded and the motion carried unanimously. (5-0)

Mayor Jones reminded Council once again that the question before them tonight is the timeframe; the order stated sixty (60) days and the appellant is asking for six (6) months based upon the appeal.

Councilmember Horton ask Attorney Taylor for clarification that if evidence has not been presented to repair the building, then the only consideration is the length of time. Attorney Taylor stated that it is his opinion that the only request presented is the length of time; both the building inspector and the appellant have testified that demolition is the way to go. Therefore, the length of time should be based upon safety. Granting an extended period of time could put the city at risk.

Councilmember Warrender recommended that Mr. Freeman be given until December 8, 2020, as with the others, to allow Mr. Davis time to inspect the building again or have an engineer provide evidence of its soundness. At this time, Mr. Davis explained that Council has three (3) decision choices; 1) to uphold the order, 2) modify the order to give an extension of time, or 3) reject the order. Attorney Taylor confirmed the three choices and advise that if Council chooses to reject the order, Council must cite the evidence upon which they are basing their decision. If Council elects to give Mr. Freeman an extension until December 8, 2020, the hearing on that date will be based on the same order presented tonight. At that time, Council must make the same decision they are asked to make tonight, demolish the structure or issue another extension. As a

quasi-judicial hearing, Council can only act on the appeal presented, or ask for additional evidence and extend the hearing to another date; they cannot deviate from the request.

At this time, Councilmember Ballou made motion **to reopen hearing**. Councilmember Horton seconded and the motion carried unanimously. (5-0)

At this time, Attorney Taylor was asked if Council could allow Mr. Freeman to provide additional information to show that the building is safe and therefore, allow it to remain as is. Attorney Taylor stated that Council may, but they would have to do it by granting an extension of time during this hearing. Council must extend the hearing or rule on it.

Councilmember McCann asked how this ruling was different from the one made for 1008 Bay Street where the appellant was given an extension to provide evidence of a loan from NC Build. Attorney Taylor stated that, as he remembers it, the motion was for Mr. Collins to secure funding to take care of the property by the extension deadline either by rebuilding or demolition, or the City will issue an order to demolish. Mr. Collins is seeking an extension to demolish or rebuild. Mr. Freeman has only requested time to demolish.

Mr. Freeman stated that he would like to remove the back portion with a metal roof, and seal the resulting opening in the back half of the building. Mr. Freeman stated that this portion of the building is not worth making structurally sound. He feels like the showroom would pass inspection as is. He could not answer whether or not they were willing to hire an engineer to render a ruling without consulting his father; however, he was in favor of having the opportunity to look into the option.

Councilmember Ballou motion **to close the appeal hearing**. Councilmember Warrender seconded and the motion carried unanimously. (5-0)

Councilmember Ballou made a motion **to continue the appellant hearing until November 10, 2020 at 5:30 p.m. at which time the appellant will present evidence on the structural integrity of the building and compliance with building codes. Councilmember Horton seconded and the motion carried unanimously.** (5-0)

PUBLIC HEARING ITEMS

Review Ordinance 2020-O-10 Approving Voluntary Contiguous Annexation Request from Psalm 127 Partners LLC, for 4908 Bridges Street Extension, PIN #636610368589000, Zoned CH (Highway Commercial District)

Planning Director Sandi Watkins appeared before the Town Council to present voluntary contiguous annexation request from Psalm 127 Partners LLC, for 4908 Bridges Street Extension.

The property (PIN #636610368589000) contains .45 acres and is zoned CH (Highway Commercial). It is not part of a subdivision, and therefore will not fragment a subdivision. A map of the property was displayed on the projection screen.

The current tax value of the property is \$175,538. Based on a 38-cent tax rate, \$667.04 in tax revenues would be generated. Water and sewer will be accessed from Bridges Street Extension, and all costs associated with extending the water/sewer service to the newly annexed property will be the responsibility of the owners.

In accordance with N.C.G.S. 160A-31, this public hearing was advertised in the Carteret News Times on Sunday, August 23, 2020

At this time, Mayor Jones opened the public hearing inviting anyone who would like to speak in favor of or in opposition to the proposed annexation request to come forward.

PUBLIC COMMENTS

No one in attendance or participating via Zoom or telephone voiced an objection to the request.

Mayor Jones closed the public hearing.

Councilmember Horton made a motion **to adopt Ordinance 2020-O-10 approving the voluntary contiguous annexation request from Psalm 127 Partners LLC, for 4908 Bridges Street Extension, PIN #636610368589000, zoned CH (Highway Commercial).** Councilmember McCann seconded and the motion carried unanimously. (5-0)

Ordinance 2020-O-10 is filed in Ordinance Book #8.

Consider Ordinance 2020-O-11 Approving Voluntary Contiguous Annexation Request from Thomas E. and Glenda Anthony, for 4910 Bridges Street Extension, PIN #636610367692000, zoned CH (Highway Commercial District

Planning Director Sandi Watkins presented voluntary contiguous annexation request from Thomas E. and Glenda Anthony, for 4910 Bridges Street Extension.

The property (PIN #636610367692000) contains .47 acres and is zoned CH (Highway Commercial). It is not part of a subdivision, and therefore will not fragment a subdivision.

The current tax value of the property is \$202,222. Based on a 38-cent tax rate, \$768.44 in tax revenues would be generated. Water and sewer will be accessed from Bridges Street Extension, and all costs associated with extending the water/sewer service to the newly annexed property will be the responsibility of the owners.

In accordance with N.C.G.S. 160A-31, this public hearing was advertised in the Carteret News Times on Sunday, August 23, 2020.

At this time, Mayor Jones opened the public hearing inviting anyone who would

like to speak in favor of or in opposition to the proposed annexation request to come forward.

PUBLIC COMMENTS

No one in attendance or participating via Zoom or telephone voiced an objection to the request.

Mayor Jones closed the public hearing.

Councilmember Taylor made a motion to **Ordinance 2020-O-11 approving voluntary contiguous annexation request from Thomas E. and Glenda Anthony, for 4910 Bridges Street Extension, PIN #636610367692000, zoned CH (Highway Commercial District.** Councilmember Horton seconded and the motion carried unanimously. (5-0)

Ordinance 2020-O-11 is filed in Ordinance Book #8.

NEW BUSINESS ITEMS

Consider Adoption of Resolution 2020-R-46 Declaring Real Property as Surplus and Authorizing the City Manager and/or Mayor to Negotiate the Sale of City's Reversion Interest in Property Located at 3413 Bridges Street.

City Manager Ryan Eggleston presented an offer from Carteret General Hospital Inc. (DBA: Carteret Health Care) to purchase the Town of Morehead City's reversion interest in the National Guard Armory property, located at 3413 Bridges Street, Morehead City, North Carolina, in the amount of \$1.2 million.

Providing clarification of the proposal, Attorney Taylor stated that there are no negotiations. Council is being asked to accept the offer to purchase the City's reversion interest for \$1.2 million subject to the conditions attached to the Offer to Purchase Agreement and statutory requirements that Attorney Taylor will ensure, and to authorize the mayor to sign the agreement. The deed will include the stipulation that the property must continue to be used as a hospital or other service that benefits the community, or the property will revert back to the City again. One of the conditions of purchase is a 90-day due diligence period that begins upon the signing of the agreement. There is also a requirement to publish a notice of the decision to sell the property for 10-days.

Councilmember Horton questioned if the property would revert back to the city should the hospital converted to a for-profit hospital or sold the property to one. Attorney Taylor was unsure as he had never heard of a case like that; however, he felt it would be a concern for the City in that the statute permitting the sale states that it must be sold to a non-profit serving a public interest. It would likely result in a reversion back to the city. The buyer have been advised of the statutory requirements.

Attorney Taylor pointed out that this sale is not purely based on financial gain, but also on the benefit to the public.

Councilmember Horton made a motion **to adopt Resolution 2020-R-46 declaring real property as surplus and authorizing the City Manager and Mayor to negotiate the sale of City's reversion interest in property located at 3413 Bridges Street.** Councilmember McCann seconded and the motion carried unanimously. (5-0)

Resolution 2020-R-46 is attached to and made a part of these minutes herein by reference. The Offer to Purchase Agreement is on file in the Clerk's office.

CITY MANAGER'S REPORT:

Mr. Eggleston stated that he had nothing to report.

CITIZEN REQUESTS/COMMENTS (2 Minute Time Limit)

Brad Piland, Legal Aid of NC: Mr. Piland shared that NC Rebuild is administered by the State to provide assistance for victims of Hurricanes Florence and Dorian. The plan includes a stop-gap order to give applicants time to complete the application process. He confirmed that NC Build provides funds for rentals and demolition grants as well as for owner occupied dwellings.

Mr. Eggleston gave instructions again to those participating by telephone or Zoom on how to indicate a desire to be heard. None were observed.

COUNCIL REQUESTS/COMMENTS

Councilmember McCann announced that Shevans Park reopened today, and thanked everyone for their well wishes and prayers.

Councilmember Warrender stated that she is very happy that Shevans Park is back open, and commented on how much the kids loved playing in the water.

Councilmember Taylor requested that information be presented at the October workshop meeting on the cost and plans for having a full wage study completed by February 2021.

Councilmember Horton thanked everyone involved in upgrading the equipment in the Council Chambers to accommodate remote meetings. He added that selling the Armory property to the hospital is good for the community as it is the hospital's only way to grow.

Councilmember Ballou welcomed Councilmember McCann back. He agreed that it is good to see the parks back open with the sound of kids playing and laughing. He stated that the condemnation hearings are very difficult but Council must be responsible in their duty to ensure properties are safe. He too thanked those involved in updating the meeting equipment.

ADJOURNMENT

There being no other business to discuss, Mayor Jones adjourned the meeting 8:27 p.m.

Gerald A. Jones, Jr., Mayor

Attest:

Cathy Campbell, City Clerk