

**City of New Bern
Board of Aldermen Meeting
August 28, 2018 – 6:00 P.M.
City Hall Courtroom
300 Pollock Street**

- 1. Meeting opened by Mayor Dana Outlaw. Prayer by Alderman Bengel. Pledge of Allegiance.**

- 2. Roll Call.**

Present: Mayor Dana Outlaw, Alderman Sabrina Bengel, Alderwoman Jameesha Harris, Alderman Robert Aster, Alderman Johnnie Ray Kinsey, Alderman Barbara Best, and Alderman Jeffrey Odham. Absent: None. A quorum was present.

Also Present: Mark Stephens, City Manager; Kristen Culler, Assistant City Manager; Michael Scott Davis, City Attorney; and Brenda Blanco, City Clerk.

Consent Agenda

- 3. Consider Approving a Proclamation for Friends of the Library Week.**

Joanne Straight, Vice President of Friends of the New Bern-Craven County Public Library, requested a proclamation recognizing October 21-27, 2018 as National Friends of Libraries Week.

- 4. Consider Adopting a Resolution Closing the 600 Block of South Front Street for a Dedication Ceremony.**

Rose Williams, a New Bern resident, requested to have the 600 block of South Front Street closed from 4 p.m. to 6 p.m. on October 6, 2018 for the dedication of a bear statute honoring Elinor Hawkins. Ms. Hawkins has been a strong advocate for local libraries and for numerous years held a weekly reading hour for children.

- 5. Approve Minutes.**

Minutes from the August 14, 2018 regular meeting were provided for review and approval.

Alderman Bengel made a motion to remove Item 4 from the consent agenda as this event has not yet been confirmed since there may be other steps that have to be followed, seconded by Alderman Aster. The motion carried unanimously 7-0.

Alderman Odham made a motion to adopt Items 3 and 5 of the Consent Agenda, seconded by Alderman Kinsey. The motion carried unanimously 7-0.

6. Discussion of Part-Time Animal Control Officer.

At the August 14, 2018 Board meeting, Alderman Odham requested an update on the \$25,000 funding that was appropriated in the FY2018-19 budget for animal control. Police Chief Summers reported on the progress made toward hiring a part-time animal control officer ("ACO"). Based on research, it was determined the best use of a part-time ACO would be on weeknights between 4-8 p.m. and on a rotation schedule with the existing ACO. The on-call status and rotation procedure would involve calls that address life-threatening injuries to an animal, public-safety threats, or any situation where the expertise of an ACO is needed. Staff has tried to identify certified or trained ACOs in the area who may be able to fulfill this part-time assignment, but all declined due to their current job schedules. On June 4, 2018, Aldermen Bengel and Aster called a meeting to discuss the possibility of outsourcing the position to the Colonial Capital Humane Society. Police Captain Bobby Jones expressed concern about utilizing the Society to enforce animal control laws. The current ordinance only permits city employees, specifically the ACO and police officers, to conduct enforcements. Other issues identified included the question of who would oversee the Society's activities and what liability the City would have for their actions.

In early August, the Society presented a proposed agreement for after-hours ACO services. After reviewing the agreement, concerns were recognized. The City Attorney determined an extensive amount of legal time and research would be necessary to pursue the agreement, as it was the first of its kind in the state. Other North Carolina Police Departments have arrangements for their local Humane Society to shelter animals, but not enforce the laws.

In summary, Chief Summers stated the two concerns are enforcement and where to locate animals when a need arises. He felt the Humane Society could assist with sheltering animals, but with respect to enforcement, he felt the City needed to pursue someone with expertise and experience handling animals. The position of a part-time ACO is currently advertised on the City's website. Alderman Aster asked if there had been any success in hiring someone, and Chief Summers pointed out the notice had only been up since Monday of last week. Sonya Hayes, Director of Human Resources, stated she was not aware of how much interest had been generated from the listing thus far.

Alderman Bengel asked if there is an alternate plan, noting there is a need to figure out a solution. She questioned if the Board needed to appropriate money for a second full-time ACO. Chief Summers responded it would certainly be helpful and indicated the feasibility of providing training to someone with a limited background who has an interest in the position and would be a full-time employee. Alderman Aster stated it is time to do something and reiterated situations arise after hours and there is no one to take care of those calls. He noted the City had two ACOs for years, but has been operating with one ACO since May 2014, and he asked if hiring another ACO would provide 24-hour coverage. Chief Summers responded a second position would create a rotation system as well as provide coverage during normal hours when the existing ACO is out sick, on vacation or at training. Currently, injured animals picked up after hours are placed in a garage and

transported to a shelter the next morning. Alderman Bengel asked about the possibility of the Humane Society taking in the animals after hours, and Alderman Aster said he has spoken with the Society and they are willing to do anything to help the animals.

Alderman Odham asked how many people in the department are capable of handling ACO calls, and Chief responded there are two in addition to the ACO. Lt Morrison-Brown cannot assist at this time due to medical issues, but Officer Hollowell can. However, it is important to remember that they have other duties as well. Alderman Best asked whether the canine handlers are trained and could handle ACO calls, and Chief Summers said they are not trained for animal enforcement as that is totally different. Alderman Bengel indicated she did not want to kick this can further down the road, and Alderman Aster said he was ready to make a motion to hire a full-time ACO. Since the department was in the process of advertising the position, Alderman Bengel suggested the Board wait two weeks to see the response to the job posting. She asked that this matter be placed on the September 11th agenda for an update and review and for Chief Summers to report on the cost associated with hiring a second full-time ACO.

Alderman Best asked whether the vet that treats the City's canines could assist with injured animals that are picked up and in need of housing. Chief Summers stated the Humane Society could be utilized to house some of the pets, but when there is an issue that requires a chain of custody then the department would need to find a vet that can secure the cage, control what the animal is given to eat and drink, etc.

7. **Conduct a Public Hearing and Consider Adopting an Ordinance Amending Article II "Definitions" and Article XIV "Streets and Sidewalks" of Appendix A "Land Use" of the Code of Ordinances.**
8. **Conduct a Public Hearing and Consider Adopting an Ordinance Amending Article II, Section 15-15 "Basic Definitions and Interpretations" of the Code of Ordinances.**
9. **Consider Adopting a Resolution Approving a Revision to the Street Design Standards.**

Alderman Bengel made a motion to table items 7, 8 and 9 for further discussion, seconded by Alderman Odham. While staff has worked hard on these issues, Alderman Bengel announced developers have asked for additional time to review these items with staff. She indicated the meeting needs to take place with haste so this does not linger for three or four months. The motion carried unanimously 7-0.

10. Consider Adopting a Resolution Approving Rules and Regulations for Lease of Parking Spaces.

At the August 14, 2018 Board meeting, rules and regulations were adopted with respect to the City-owned leased parking lots. Revisions have been made with respect to commercial trash dumpsters and the location of those dumpsters.

Alderman Best asked if all of the residents and property owners have had an opportunity to participate in the making of the rules and regulations. Alderman Bengel replied the designated dumpster space is on City property, not private property. The 13 property and business owners who will be participating in the communal dumpster have agreed to sign a Memorandum of Understanding. A meeting of property owners is set for September 18, 2018 at 6 p.m. at the Chamber's office to discuss easements, etc. Because of the communal dumpsters, seven dumpsters will be removed and trash collection will be consolidated into one area. Alderman Bengel also described other plans to consolidate dumpsters, such as the cardboard dumpsters. She stated the intent is to improve upon the private property by eliminating several dumpsters.

Alderman Odham stated the Master Parking Plan Advisory Council had discussed the opportunity for other people to lease a parking space once a lease comes to an end. He asked if there is a methodology that will be used to re-lease spaces or if those who have a space now will always be able to lease a space as long as they continue to renew. Alderman Bengel stated this topic is under discussion now and kiosks could be the solution to solving the problem. The group discussing this has been asked to make a recommendation prior to the end of the year when the leases expire.

Alderman Bengel made a motion to adopt a resolution approving rules and regulations for lease of parking spaces, seconded by Alderwoman Harris. Upon a roll-call vote, the motion carried unanimously 7-0.

11. Consider Adopting a Resolution to Approve the Submission of an Application for the North Carolina Public Beach and Waterfront Access Grant.

Staff is seeking approval to submit an application for the NC Public Beach and Coastal Waterfront Access Grant. If received, the funding will be utilized for amenities at Martin Marietta Park to include a canoe/kayak access and a shelter with restrooms. The anticipated cost of the project is \$130,000. Grant funds for \$97,500 are sought. If awarded, the grant will require a 25% match of the total project cost, which equates to \$32,500.

On a side note, Mr. Stephens announced the City was just awarded a Parks and Recreation Trust Fund grant in amount of \$475,000 for use towards the Martin Marietta Park project. He and Foster Hughes, Director of Parks and Recreation, will make a future presentation before the Board regarding a plan for using those funds. Mr. Stephens suggested thanks be expressed to the local legislators who supported the City's grant application.

Alderman Odham noted the beach access grant allows for half of the match to be in-kind services. He asked if the monetary match of \$16,250 is budgeted or whether it would require a budget amendment. J.R. Sabatelli, Director of Finance, responded \$50,000 is budgeted in the General Fund for use as matches toward grants.

Alderman Best made a motion to adopt a resolution to approve the submission of an application for the North Carolina Public Beach and Waterfront Access Grant, seconded by Alderman Kinsey. Upon a roll-call vote, the motion carried unanimously 7-0.

12. Consider Adopting a Resolution Approving a Memorandum of Understanding with Craven County for the 2018 Byrne Justice Assistance Grant (“JAG”) Program Award.

The New Bern Police Department applied for and received grant funds from the FY2018 Edward Byrne Memorial Justice Assistance Grant (“JAG”). The funds will be utilized to purchase equipment and materials for personnel workstations for the Coastal Narcotics Enforcement Team, which is shared with the Craven County Sheriff’s Office. Because the Police Department is a disparate jurisdiction with Craven County under the grant, a Memorandum of Understanding (“MOU”) is required. The MOU states the City and County agree to the use of \$11,334 in grant funds for the purchase described above. No matching funds are required.

Alderman Aster made a motion to adopt a resolution to approving a Memorandum of Understanding with Craven County for the 2018 Byrne Justice Assistance Grant (“JAG”) Program Award, seconded by Alderman Kinsey. Upon a roll-call vote, the motion carried unanimously 7-0.

13. Consider Adopting a Resolution Approving a School Resource Officer Contract with Craven County Board of Education.

The Craven County Board of Education desires to contract with the City for the New Bern Police Department to provide school resource officers (SROs) at New Bern High School, Grover C. Fields Middle School, and H.J. MacDonald Middle School for the 2018/19 school year. The contract provides, in part, for the Board of Education to pay \$38,975 per SRO to help offset the cost of salaries and benefits.

Alderman Bengel pointed out the contract is dated July 1, 2018 and questioned why it was just now before the Board. She stated she did not recall seeing SROs funded in the budget and asked that moving forward there be a specific line item to detail the cost of funding those officers. Based on information received from Mr. Sabatelli, the average cost for salary, benefits, uniforms, and equipment for an SRO is \$81,000. The Board of Education refunds the City \$38,975, which represents funding it receives from the State. This means the City’s share is around \$42,000 per officer, which is \$168,000 for four officers. Alderman Bengel expressed concern that New Bern citizens are paying \$168,160 for four SROs in schools that are also attended by students from River Bend, Trent Woods, James City, Brices Creek, and other areas that are not in the City of New Bern. While emphasizing she was

not against it, Alderman Bengel expressed concern with this burden being placed on the City of New Bern taxpayers. Aldermen are regularly questioned as to why there is not more police patrolling neighborhoods, and the response is always there is not enough funding. Yet, money is spent to supplement the County schools. If the additional SROs are approved in the subsequent agenda item, the yearly burden to the City will be a total of \$236,524. Alderman Aster expressed concern with the contracts being presented to the Board after the school year has already begun, noting this tends to tie the City's hands.

Alderman Aster made a motion to adopt a resolution approving a School Resource Officer Contract with Craven County Board of Education, because of the safety of the children, with the understanding that a serious conversation take place with the Board of Education and Craven County as soon as possible, seconded by Alderman Odham. Upon a roll-call vote, the motion carried 6-1 with Alderman Best voting against it. Alderman Bengel again noted her protest during the roll call.

After the motion was made and before the vote, in-depth discussion took place. Stating a concern for New Bern taxpayers, Alderman Bengel expressed a preference to table the item for two weeks to allow for an opportunity to discuss the issue with Craven County. She stated she was made aware the City of Havelock has voted this issue down because they felt they were being double taxed. While the schools belong to the County, the County does not contribute a single penny toward the SROs.

Mayor Outlaw pointed out the location of New Bern High School and questioned if it were just a little further down the road (outside of the City limits) whether a Deputy Sheriff would serve as the SRO. He also noted the City is putting SROs in the high school and middle schools and questioned why they were any different from the elementary schools. He stated there is one area in the state where it has been mandated that SROs be funded by the County. Mayor Outlaw said his main concern is the fact that it appears the communication level of security is best served by City of New Bern police officers. In his opinion, that is a fundamental flaw that the County and other area municipalities are not communicating about security. He questioned why a Deputy Sheriff could not communicate and provide mutual aid to a City police officer. He stated he would vote in favor of this item since it is the right thing to do for the children, but stated someone needed to get with delegates in Raleigh to fix this problem.

Alderman Bengel said she felt as if the City is being bullied since this is a political hot potato now. She stated her oath of office says she will protect the interests of the taxpayers of the City of New Bern and make sure the taxpayers' money is spent prudently. She agreed that the children are the City's first concern, but she did not like the political nature of this issue. She expressed a desire to do what is right for the citizens, but noted the Board had its back in the corner. She pointed out the City cannot afford another ACO, but it would have to pay for two additional police officers if the next item is approved. Mayor Outlaw pointed out Havelock also voted the issue down because funding will be refunded for two years at best, and possibly just one year. Once funding runs out, the City of Havelock would be responsible for the entire cost to fund the SROs.

Alderwoman Harris said even though some may feel New Bern residents are being double taxed, she still felt it is the City's responsibility to make sure children are protected. Alderman Aster asked whether the County was required by state statute to provide security. Alderman Bengel read the following: "Per North Carolina State law, all facets concerning the governing and administration of the Craven County School System are the responsibility of the Craven County Board of Education and the Craven County Commissioners. That responsibility includes meaningful provision for the protection of every person in and around those schools."

Alderman Odham asked if the current financial system allows staff to break down the SROs by showing they are a current City employee who works in the school system for nine months. Mr. Sabatelli replied the current system does not allow staff to show the breakdown, but the new system will. Alderman Odham said he assumed the County works off the same fiscal calendar as the City, and asked if that is why the contract was dated July 1st. Mr. Sabatelli stated that was his assumption, and Alderman Odham pointed out that meant the County would have to wait until their budget was adopted to issue the contracts.

Mr. Stephens said time and again staff has tried to seek further funding from the Board of Education and has met with the Board of Education ("BOE") and Craven County. The cost for an officer is more than \$80,000 a year, and the BOE is reimbursing the City at less than 50%. The officer is being utilized 75% of the year by the school through the SRO program. Mr. Stephens stated the cost is a burden to the City, as well as the liability, insurance, worker's compensation, etc.

Alderman Odham said he asked a few years ago why the City was even providing SROs. He asked Chief Summers to summarize the response he gave Alderman Odham at that time. For a number of reasons, Chief Summers stated it is important for a jurisdiction to police schools located within its jurisdiction. Primarily, if there is an emergency, the SRO is trained to operate with the other officers within that jurisdiction. When other officers from the Department arrive on scene, the SRO will have certain things already prepared for them. When the Police Chief has control of the SRO, the Chief can assure that these things are done. Second, the intelligence received from students in the school is valuable. Children have a rapport with SROs and info obtained can assist in solving cases. Additionally, the rapport makes the children comfortable with approaching an officer when they see one on the street or elsewhere. Also, as the children become adults, there is less conflict. If a crime happens in a school that is located within the city limits, a police officer has to respond to take the report. If an SRO were not in the school, the Department would have to take an officer off the street to respond. It makes it much easier to have an officer already in the school. Alderman Bengel asked how the Police Department handles Craven Community College, noting it is in the city limits, includes an early college, and the County provides security. In his opinion, Chief Summers stated the lockdown that took place on that campus several months back was very dysfunctional.

Alderman Bengel expressed support for the arguments made by Chief Summers about having officers in the schools, but stated she was still concerned with the

taxpayers of the City of New Bern bearing the burden. Alderman Best voiced agreement with Alderman Bengel and said she had been under the impression that the BOE paid for all of SROs, and she felt they should. Alderman Best stated the expense should not be another tax burden on the City's taxpayers. Alderman Aster noted the \$39,000 reimbursed to the City comes from State grant money. Thus, the BOE and Craven County are not putting a dime toward the cost.

Alderwoman Harris said if the County chooses not to pay for SROs, she felt the City should bear the burden. She also suggested retired military veterans be considered as volunteers in the school because of their training. Alderman Bengel pointed out she would vote in favor of approving the resolution, although under protest since the City of New Bern citizens will be burdened with an expense they should not be burdened with, and she requested the expense be transparent in the budget. Alderman Aster asked that serious conversation take place as soon as possible with the County, noting their need to step up to the plate.

Alderman Odham said he pretty much agreed with Alderman Bengel. At end of the day, this is a county function and it is ultimately their responsibility. While there is a value in having the Police Department in the school, there is a need to determine the benefit and its value. Conversations with the BOE, Craven County Commissioners, and the Sheriff's Department should happen after the election, but before the next budget year. Alderman Bengel announced there is a long session coming up in January, and she suggested the City work with the League of Municipalities to have a conversation with the City's delegation and other members to ask the State to provide more funding, possibly through the Lottery Commission or other options. Alderwoman Harris asked if the City should adopt a resolution in support of mandating the County to be fully responsible for this expense. Mr. Davis noted the entire delegation must be unanimous in its recommendation to the General Assembly.

14. Consider Adopting a Resolution Approving a School Resource Officer Contract with Craven County Board of Education for Additional Officers in Elementary Schools.

Craven County Board of Education has been approved for additional funding to place SROs in four of its elementary schools. Two of the schools are located within the city limits: JT Barber and Oaks Road Academy/Aspire. These are two of the City's most disadvantaged elementary schools. Funding is available at the rate of \$49,500 per officer. If the contract with the Board of Education is approved, the Police Department will need to increase its number of sworn officers by two. Mr. Stephens noted a lot of this topic was just discussed under the previous item.

Alderman Kinsey asked what the officers would do during the summer months when school is out. Chief Summers stated the officers would be put on the street to work and may also assist with the department's youth summer camp. Alderman Bengel pointed out the BOE only has grant funding available for one year, possibly two. That leaves \$68,000 for the City of New Bern to fund. If partial reimbursement is not received, the City will be faced with a cost of \$167,364 for subsequent years. She pointed this out noting the additional burden the City would assume if it

approved the item. Alderman Aster inquired about the possibility of tabling this item until a discussion could be held with the County.

Alderman Odham noted the Police Department is rarely fully staffed and asked if funding is not available through the County whether the additional officers could be utilized in unfilled positions, and Chief Summers responded yes. There are 89 sworn positions in the budget, and currently there is one vacancy. Alderwoman Harris expressed confusion over the number of positions, and Alderman Odham explained the difference in the two SRO positions, the number of approved positions in the budget, and how the SROs could be used to fill vacancies should the City no longer receive funding for the SRO positions. In the event the SROs were moved to fill vacant positions, Alderman Bengel asked if they would take a cut in pay or stay the same. Chief Summers stated their pay would remain the same. He also noted if there are two vacancies, the decision could be made not to fill those vacancies. Alderman Bengel said that would result in short changing the citizens, and Alderman Odham explained the SROs could be used to fill vacancies. Alderman Bengel expressed a desire to table the matter and asked if the additional SROs had been hired. Chief Summers said they had not been hired, but if the Board approved the contract, he would try to place one officer in the school immediately and the other within 90-120 days. For the security of the children, Alderman Kinsey expressed a desire to move forward with approving the contract and then look at the funding.

Alderman Odham asked if the funding is based off a contractual year, whether it is prorated, or if it is based off when an SRO is placed in the school. Chief Summers was not sure, but assumed it was based on placement of an officer in the school. Alderman Odham pointed out the contract covers two elementary schools within the City, although there are five in the city limits. If approved, this means there will be three elementary schools not covered. Alderman Bengel commented the BOE would probably come back and want SROs in the other three schools. She stated she would vote no on this contract.

Alderman Kinsey said he felt the BOE would meet the City "at the table". Alderman Aster again suggested tabling the matter until a conversation could be held with the BOE. Alderwoman Harris pointed out it is an election year for the County, and they were likely to say no to additional funding since they want their constituents to vote them into office. She stated if SROs were to be placed in two elementary schools, they should be in all five.

Alderman Kinsey made a motion to adopt a resolution approving a School Resource Officer Contract with Craven County Board of Education for Additional Officers in Elementary Schools, seconded by Alderwoman Harris. Upon a roll-call vote, the motion carried 5-2 with Aldermen Bengel and Best voting against it. Alderman Aster emphasized his affirmative vote was only for the safety of the children.

15. Consider Adopting a Budget Ordinance Amendment for FY2018-19 for Additional School Resource Officers.

This budget ordinance amendment relates to the previous item. With the contract approved for two additional SROs to be placed at elementary schools, \$109,000 must be appropriated to cover the additional expense to the Police Department. The amendment also recognizes \$99,000 from the Board of Education and a transfer of \$10,000 from contingency.

Alderman Odham made a motion to adopt a budget ordinance amendment for FY2018-19 for additional school resource officers, seconded by Alderman Kinsey. Upon a roll-call vote, the motion carried 6-1 with Alderman Best voting against it.

Alderman Odham explained he had to support this, but did not appreciate being backed into a corner. Alderman Best said it bothered her to know that this was not discussed prior. While she supported the safety of the children, she looked at the issue from a taxpayer's point of view and that is why she voted against it. She referenced the letter issued jointly by the NC League of Municipalities, NC Metro Mayors Coalition, NC Mayors Association, NC Black Elected Municipal Officials, and NC Women in Municipal government, which Mr. Stephens explained stating the General Assembly basically approved a provision in the state budget that allows municipalities to use their property tax revenues to fund public schools and public education. Essentially, the separation between the state and county funding mechanisms for school systems is eroding. All of the organizations that issued the letter are opposed to the legislation. The concern is municipal taxpayers are already paying for school costs as county and state taxpayers, and the question is whether it is fair to burden them a third time to pay for those costs. Alderman Bengel expressed concern that this action by the General Assembly would slow growth in cities.

Alderman Odham asked if the Mayor or Manager received information from any of the organizations that issued the letter to notify the City when this was going through the legislation process. Mr. Stephens said the letter points out the decision was approved by the General Assembly without the ability to amend the bill in committee hearings or on the floor of either the House or Senate. Alderwoman Harris felt there was no need to be up in arms about the legislative action until someone asks for money. Alderman Best reiterated the burden should fall on the state and county and not the city taxpayers. Alderman Aster agreed the responsibility of funding should not be completely on the back of city taxpayers when those citizens pay county taxes too.

Alderman Odham made a motion to direct staff to prepare a resolution stating the City of New Bern opposes the new legislation and that the resolution be sent to all of the groups the City pays to lobby and represent its interests so they can work on the issue once the General Assembly is back in session, seconded by Alderman Aster. The motion carried unanimously 7-0

16. Consider Adopting a Budget Ordinance Amendment for FY2018-19.

This budget ordinance amendment rolls outstanding purchase orders (POs) from Fiscal Year 2017/18 into the current fiscal year. The reflected amounts represent unspent funds encumbered by the outstanding purchase orders.

Alderman Kinsey made a motion to adopt a budget ordinance amendment for FY2018-19, seconded by Alderman Odham. Upon a roll-call vote, the motion carried unanimously 7-0.

17. Appointment(s).

No appointments were made.

18. Attorney's Report.

The City Attorney had nothing to report.

19. City Manager's Report.

At a recent meeting, Alderman Best asked about a policy for employees working in extreme heat or cold. Mr. Stephens stated there is not a formal policy, but Sonya Hayes, Director of Human Resources, has worked with her staff to pull together some information. A formal, administrative policy will be prepared.

As mentioned earlier, the City was recently awarded a significant PARTF grant.

After returning to open session following the closed session held at the last meeting, questions arose about properties that were not producing tax revenue for the City. Those specifically were housing and tax-credit properties. At Mr. Stephens' request, Mr. Sabatelli reported on the structure of those type of properties and identified some of the tax-credit properties located within New Bern. In determining if a property is taxable, what matters is ownership and usage, not how the project was funded. The Housing Authority sold its ownership interest in the Craven Terrace improvements to Preservation Management, but retained ownership of the land. Craven Terrace does not currently pay property taxes. Alderman Kinsey asked how many similar developments are in the City, and Mr. Sabatelli responded three: Weatherstone Apartments, Green Park Terrace, and Craven Terrace. In determining if a property is taxable, the taxability of the land must be separated from the taxability of improvements. If the Housing Authority owns the land, it will not be taxable. If the improvements are leased to a nonprofit that is providing low-income housing, it is not taxable. However, if the improvements are leased to a for-profit entity, then the property is taxable. Alderman Best noted Pennrose is not a nonprofit, and Mr. Sabatelli confirmed that is correct, as his understanding is they are for profit. Alderman Bengel asked whether it was known if the Housing Authority would have any interest in the new development. Mr. Sabatelli replied Martin Blaney with the Housing Authority said they would not.

Alderman Odham asked if the City decided to move forward whether the contract and offer with the Housing Authority could state the property must be sold and transitioned to a full for-profit organization. Mr. Davis said his guess would be no, but he would look into that. The statute provides the City can provide property to any entity that fulfills a public purpose and can add conditions that fulfill the public purpose. In this case, the statute would allow the City to place the condition that the property must be used for low-income housing. However, the statute does not give broader authority to add other conditions. If language is placed in the contract, Mr. Davis warned that it may not trump a state statute.

Alderwoman Harris stated it was interesting to her that the individuals who wanted to sell the property now may not want to move forward if the development will not be taxable. She stated if the purpose of considering the sale was to help the residents of Trent Court, why would it matter if the property were taxable or not? Alderman Odham said it did not matter to him whether the development is taxable; he asked for clarification since the question was raised previously by Alderwoman Harris and others. Alderman Odham explained if the City were to decline to sell to the Housing Authority and instead put the property up for sale through the upset bid process, the City would likely be questioned if it were in favor of high bids that would yield a taxable property, but were not in favor of bids that would produce a non-taxable property. Once the property is in the bidding process, the City cannot put stipulations on the sale. Alderman Odham said in his opinion, the project currently proposed is valid whether the property is taxable or not. The ultimate question is how many residents of Trent Court will receive a unit at the new development. Alderman Bengel stated that is her concern as well. Alderman Odham said he had been told there would be a lot of Trent Court residents moved to the new development.

Alderwoman Harris commented the Housing Authority is seeking the land for the purpose of their grant application, and she questioned if the Authority is not approved whether they would want to move forward with the purchase. Mr. Davis stated it was his understanding the Authority desired to purchase the property regardless. They will pay an option fee, but may not close if they are not awarded the grant. Mr. Stephens stated he has not yet discussed the Board's counteroffer with the Authority because he first wanted to provide the Board with the information it requested. Alderman Best asked Mr. Stephens to move forward with reaching out to the Housing Authority.

Alderwoman Harris asked about an ad hoc group to meet with Pennrose and obtain answers to the Board's questions before moving forward.

(Alderman Kinsey momentarily stepped out of the room at 7:37 p.m.)

Alderman Best commented the Housing Authority should obtain that information from Pennrose. She also remarked she wanted to know whether the property would be taxable or not before she voted on the sale of the property. Alderman Odham commented he had asked why the Authority was pursuing a project that will work the Authority out of a job, and Alderman Best said their response has been they want to do this for the safety of their residents.

Mayor Outlaw asked if the Manager needed further direction at this time. Mr. Stephens responded he had direction, but wanted to report back on the taxability question before acting on the direction. Mr. Stephens stated he would try to ascertain as much information as possible regarding Pennrose and the taxability of the property and will report his findings to the Board via email. Mr. Davis noted the discussions the City Manager has with the Housing Authority might lead to a draft contract that will be presented to the Board. However, for clarity, nothing will happen until the Board has the contract for consideration. The Board's current direction is solely for the Manager to negotiate at this point.

Alderwoman Harris asked about the appointment to Allies for Cherry Point's Tomorrow ("ACT") and whether that appointment needed to be made. Mayor Outlaw responded the appointment did not have to be made at this meeting, unless someone had a nomination. He stated it is important to make sure the appointee has an appropriate background and will attend the meetings. Alderman Odham noted ACT is a very involved Board that holds a lot of meetings.

(Alderman Kinsey returned to the room at 7:40 p.m.)

20. New Business.

Alderman Bengel

The Governing Board receives many calls about abatement issues. Nancy Johnston has done an awesome job filling the position vacated by Chip Dickinson's retirement. Gratitude was expressed to her and Nancy Riegelsperger, as well.

(Alderman Best stepped out momentarily at 7:41 p.m.)

An update was requested from the City Manager on the Watch for Me program. Alderman Bengel noted a group of men was almost struck at the intersection of Broad and Middle Streets recently. Mrs. Culler said blinking signals are slated to be installed, and she explained how they would work. Staff has also been working on high-visibility solutions to paint the crosswalks and is getting information on signalized signs.

(Alderman Best returned to the room at 7:43 p.m.)

An update was requested on making City Hall ADA accessible. Mr. Stephens said staff has been looking at a potential option for an internal elevator and is waiting on quotes. In addition, conceptual designs are being prepared for exterior handicap accessibility.

Ms. Church was recognized for attending the meeting.

A shout out was given to UNC TV for their free children's event at the Convention Center this past weekend. UNC TV will be back in New Bern September 4-8th speaking to citizens and taking videos of New Bern. The agenda for September 5th was reviewed, which will be facilitated by Dr. Scott Rawls, former President of Craven Community College. Appreciation was expressed to CarolinaEast and the

Craven County Chapter of the NC Community Foundation for their donations to support this project.

Congratulations were relayed to Foster Hughes, Director of Parks and Recreation, on the City's recent receipt of the PARTF grant for Martin Marietta Park.

Alderwoman Harris

A shout out was expressed to the Police Department for accepting the lip sync challenge. Alderwoman Harris suggested the Board of Alderman also participate in a lip sync and challenge other Boards to do so.

Footloose on the Neuse will be held August 31st with the Joe Brown Band.

Alderman Aster

An update on Airport Road was requested. Mr. Stephens stated the project is still in the design phase.

An update was also requested on the Redevelopment Commission. Alderman Bengel stated commission members have been notified of their appointment through an official letter from Mrs. Blanco. Jeff Ruggieri, Director of Development Services, reported he is working to schedule a full-day orientation that will be facilitated by the School of Government. The orientation will likely be held in October and will cover the purpose and role of the Commission.

A status was requested on the property at the corner of Simmons and Griffin. Avery Smith, Stormwater Superintendent, stated he was not aware of the latest update. Alderman Aster asked Mr. Stephens to make sure this issue receives attention and is moved along as soon as possible. Mrs. Culler reported Matt Montanye, Director of Public Works, has been working with Epiphany School and the City will help facilitate getting a contractor to work on the property. Mr. Stephens explained the school had difficulty finding contractors to do the work, so the City has assisted with this aspect.

Alderman Kinsey

Thanks was voiced to Mr. Smith, Mr. Ruggieri, and Jordan Hughes for working to clean up areas of the City that have been of concern to citizens.

Alderman Best

Employees were thanked for the good job they do.

Mr. Sabatelli was asked whether he has met with Craven County about collecting beer and wine privilege licenses. Mr. Sabatelli reported the County would not be able to facilitate the collection of these licenses, so it will be handled internally. At this time, the Utility Business Office will continue to collect them, but the task may be reassigned once the new fiscal software is in place.

Condolences were expressed to the John McCain family. Alderman Best commented he was a true veteran who honorably served this country, and Alderman Bengel agreed.

Alderman Bengel expressed gratitude to Mrs. Culler for her service to the City over the last two years. Her last day is Friday, August 31st.

21. Closed Session.

Alderman Odham made a motion to enter into closed session pursuant to NCGS §143-318.11(a)(6) for a personnel matter, seconded by Alderman Kinsey. The motion carried unanimously, time being 7:57 p.m.

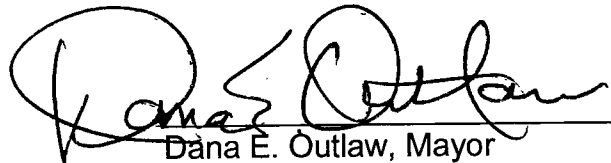
22. Adjourn.

Alderman Odham made a motion to adjourn, seconded by Alderman Bengel. The motion carried unanimously 7-0, time being 9:16 p.m.

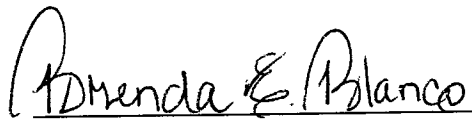
The attached documents are incorporated herewith and are hereby made a part of these minutes.

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: September 25, 2018



Dana E. Outlaw, Mayor



Brenda E. Blanco, City Clerk