



Town of Beaufort, NC

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Board of Commissioners

Work Session

4:00 PM Monday, February 27, 2023

Train Depot, 614 Broad Street

Beaufort, NC 28516

Minutes

Call To Order

Mayor Harker called the meeting to order at 4:00 p.m.

Roll Call

Elizabeth Lewis, Town Clerk, called the roll:

PRESENT:

Mayor Harker
Mayor Pro Tem Hagle
Commissioner Hollinshed
Commissioner Oliver
Commissioner Terwilliger
Commissioner Cooper

Agenda Approval

Commissioner Hagle made a motion to approve the agenda as presented.

The motion carried unanimously.

Items for Discussion and Consideration

1. George Street

Todd Clark, Town Manager, explained there had been questions as to whether a street will be constructed connecting the Jones Village neighborhood and Beaufort East Village, via George Street. He shared the inquiry had been made due to a concern for increased vehicular traffic within Jones Village. He shared that the that the developers of Beaufort East Village are under no obligation with the Town to construct a street that will connect both neighborhoods. He noted that it was the Town's original intent to connect both street

segments when the plans for Beaufort East Village were approved. He pointed out another option would be to connect Pine View Boulevard, located within Beaufort East Village, to Fairview Drive. Alternatively, the segment of street located within Beaufort East Village could be renamed to eliminate duplicative street names. He noted that town staff has expressed that a failure to connect George Street represents a concern for the general health, safety, and welfare of the public. He explained that having two divided segments of street with the same name could create confusion for either fire, police or EMS who are responding to emergency calls for service.

Commissioner Terwilliger noted that adding more traffic avenues in and out of Beaufort East Village should improve the issues mentioned. He suggested an obtaining an estimate cost on paving and having a conversation with the developers to see if they would be interested in helping share the cost of opening/connecting the streets. He suggested George Street should be one street, with one name.

Commissioner Hollinshed shared she did not like the duplication of street names with a dead end. She suggested opening an outlet on Fairview would be dumping the problem somewhere else. She noted traffic calming devices could always be added in the area. She expressed support of the first responder's recommendations on the topic.

Commissioner Hagle shared increased traffic flow had been a concern in that area since Beau Coast first began. He noted there was a traffic study completed as a result of the increase. He agreed, the street should be connected and have one name.

Tony Ray, Fire Chief, explained the importance of connecting the two segments of George Street, which would allow better access to the area in the event mutual aid was called to the scene. He noted duplicate street names would be confusing and cause delayed response times.

Commissioner Oliver asked if the pathway in which Pine View would get extended to Fair View was publicly owned Town right-of-way.

Mark Eakes, Public Works Director, confirmed it was.

Commissioner Oliver asked if the George Street portion, outside of Beau Coast was also public property and public streets.

Arey Grady, Town Attorney, referred to the original plat to confirm the part the Board was contemplating opening was the Town's to use for roads and utilities.

Greg Meshaw, Town Engineer, confirmed there were utilities in that same right-of-way, noting a waterline had been extended on George Street.

Commissioner Oliver asked Kyle Garner, Planning Director if the Traffic Impact Analysis (TIA) was a requirement of the Town of Beaufort for the Beaufort East Village Development.

Mr. Garner confirmed that it was.

Commissioner Oliver questioned if both the George Street connection and the Pine View Boulevard connection were used as a hypothesis in the TIA.

Mr. Garner confirmed they were.

Commissioner Cooper noted he agreed with Commissioner Terwilliger and believed they should speak with the developer regarding the cost of extending the street. He questioned whether Town funds should be used to complete the project.

Commissioner Terwilliger noted residents in the area would benefit from any street extensions. He suggested having Mr. Meshaw or the appropriate staff member, work up cost estimates on connecting George Street and extending Pine View Boulevard; after those numbers are obtained, a meeting with the developers could follow to discuss a cost sharing approach.

Commissioner Hagle noted the extension of George Street was the most important, for safety purposes.

Commissioner Terwilliger suggested taking care of both areas at once, rather than dividing the project up; he noted more outlets would be beneficial.

Commissioner Oliver made a motion to connect both streets, subject to reaching out to the developer for financial assistance. He amended the motion to include an estimate of cost to extend the roadway and sidewalks where necessary.

The motion carried unanimously.

2. UDO Status and Discussion of Consultant

Mr. Garner shared the Town's Attorney's were currently working to update the 160D portion of the Land Use Plan. He noted their goal was to have a draft plan to Town staff for review by the end of April. He explained it would then need to go to the Planning Board for review, hopefully by May, and to the Board of Commissioners. He shared staff hopes to have the 160D portion of the updates complete by sometime in July of 2023.

Mr. Garner suggested composing a UDO Committee at the time a 160D draft was received. He recommended the committee be two members of the Board of Commissioners and two members of the Planning Board; the committee would work with the UDO consultant; he noted a consultant had not yet been selected.

Mayor Harker asked if Mr. Garner had a recommendation on when the first meeting would be of the UDO Committee.

Mr. Garner suggested sometime in May of 2023, which would provide plenty of time to setup the committee.

Commissioner Oliver asked if there would be a Public Hearing on the UDO, and an estimate of when that would be.

Mr. Garner estimated about 18-20 months.

Mr. Grady noted the 160D portion of the UDO would be subject to a Public Hearing as well.

3. Board of Adjustment (ETJ Members) Resolution

Ms. Lewis explained the proposed resolution was to allow the Town of Beaufort Board of Commissioners the ability to appoint Board of Adjustment ETJ members, should the Carteret County Board of Commissioners fail to make the requested appointments within 90 days.

Commissioner Hagle made a motion to approve the resolution, subject to a review of the language in paragraph five of the document.

The motion carried unanimously.

Mr. Grady and Ms. Lewis confirmed they would review the language and address Commissioner Hagle's concerns.

4. Consideration of Offer to Purchase Real Property (601 Front Street)

Mr. Clark shared the Town of Beaufort currently owns a parcel of land located at 601 Front Street in Beaufort. The Town currently leases the land to the Inlet Inn, which is owned and operated by Mr. Jay Tervo and Mrs. Barbara Tervo. He explained that Mr. and Mrs. Tervo own the structure, known as the Inlet Inn, and the Town owns the underlying property. He notified the Board that Mr. and Mrs. Tervo would like to purchase the underlying land and have submitted an offer to purchase; additionally, the offer to purchase includes a strip of land between the Inlet Inn and the public sidewalk located on Queen Street.

He noted that a copy of the “Summary of Two Appraisals For Lot At 601 Front Street, Beaufort”, and a map of the parcel including the associated strip of land has been included in the meeting packet for reference. He shared that the offer submitted to the town is \$800,000 cash. He shared that the owners of the Inn have procured the services of two independent real estate appraisers. He explained that an abridged copy of each appraisal has been included in the meeting packet for the Board’s review; due to the volume of each report, a full and complete copy of the appraisal has been provided to the Board as a separate document.

He addressed the procedures that typically allow a municipality to sell real property and noted this information was provided in the meeting packet. He requested that the Board of Commissioners consider the offer to purchase from Mr. and Mrs. Tervo.

Commissioner Terwilliger shared he believed it would be in the Town's best interest to sell the property, if they could reach the right deal. He suggested the offer was very low when considering other property around Town and properties that have sold recently. He noted the Board should determine what they deem fair value for the property. He shared that the appraisal packet was complete, but noted the projections on sea level rise and associated values, did not make sense in his opinion.

Commissioner Hollinshed noted that the leasehold presented value on both sides. She suggested the Town have the property appraised and do their due diligence in inspecting the entire lot. She noted it was important to ensure there was not anything on the property that would cause an issue in the future, for example a buried tank or something of that nature.

Commissioner Hagle discussed the importance of the leasehold interest for the Town when it was developed in the 1980s, and how that had changed in the present day. He agreed it would make sense to sell the property. He also suggested to reach a fair price, the Town should have the property appraised.

Commissioner Oliver shared he too was in favor of selling the property. He pointed out the Town was very fortunate to have the Tervo's as the current operators. He went on to discuss another appraisal that was completed by US Hotels in November 2021, noting it was a detailed document that provided a tremendous amount of insight on the entirety of the property.

Mr. Grady shared that he believed the Board consented to the Tervo's refinancing request in May of 2022; the US Hotels Appraisal was circulated prior to that.

Commissioner Cooper shared he would like time to review the appraisal Commissioner Oliver referenced. He agreed the Town should consider selling the property.

Mayor Harker deemed a consensus to instruct the Town Manger to provide a copy of the US Hotels Appraisal to the Board. Given adequate time to review the document, the item should then be placed on a future agenda to allow continued discussion.

5. January Financial Report

Mr. Clark, Town Manager, presented the financial report and made the below notes:

Carteret County is currently submitting estimates for property tax collections. The estimates are based on last year’s collections. Staff is awaiting additional information from the Tax Collector about the expected duration of the estimated payments. The estimate for December collections was \$1,488,588. This payment was received in January.

MVT collected in November and December was received in January \$40,257

Sales and Use tax distribution for February is \$181,677 (November sales). This is 5% lower than last year and the first-time monthly collections have been less than the previous month/year since 2020.

General Fund- Unrestricted Fund Balance as of 1/31/2023 is \$6,558,328.00.

Utility Fund Unrestricted Net Position Balance as of 1/31/2023 is \$3,359,093.00.

Commissioner Hagle suggested Mr. Clark and the Board be refreshed on the financial policies, as they have not been reviewed recently.

Adjourn

Commissioner Hagle made a motion to adjourn the meeting at 5:00 p.m.

The motion carried unanimously.

Sharon E. Harker, Mayor

Elizabeth Lewis, Town Clerk