



Town of HOLLY RIDGE

PO Box 145 * Holly Ridge, NC 28445 * Phone (910) 329-7081 * Fax (910) 329-1593

HOLLY RIDGE TOWN COUNCIL REGULAR MEETING February 14th, 2023 6:30 P.M.

Mayor Jeff Wenzel called the Regular Meeting of the Holly Ridge Town Council to order at 6:30 p.m. at the Holly Ridge Town Hall. Council members present were Councilman Sholar, Councilman Hines, Mayor Pro-Tem Hall, and Councilwoman Bragg. Also present were Town Manager, Heather Reynolds; Deputy Clerk, Tracy Martin; Community Development Director Nate Rhue; Finance Officer Chuck Strickland; and Attorney Kyle Fountain. Councilwoman Stanley was absent.

Invocation and Pledge

Dr Joe Martin – Liberty Baptist Church gave the Invocation and Mayor Wenzel led the Pledge of Allegiance.

Adoption of Agenda

A motion was made by **Councilwoman Bragg** and seconded by **Councilman Sholar** to adopt the agenda as presented. *All Agreed.*

Persons Wishing to Address the Council

Public Hearings

Discussion and Possible Approval of a Zoning Map Amendment of the Holly Ridge Zoning Map to assign a Rural Agriculture (RA) zoning district to recently annexed property located at 255 Preston Wells Road

Manager Reynolds stated this is the recently annexed property consisting of approximately 105 acres. At the time of annexation, the parcel was zoned Rural Agriculture (RA) by Onslow County and we have sixty days from the date of annexation to apply our zoning before there are no regulations on this property.

A motion was made by *Mayor Pro-Tem Hall* and seconded by *Councilwoman Bragg* to go into Public Hearing. *All Agreed.*

A motion was made by *Mayor Pro-Tem Hall* and seconded by *Councilman Sholar* to return to Regular Session. *All Agreed.*

A motion was made by *Councilman Hines* and seconded by *Councilman Sholar* to Approve a Proposed Map Amendment of the Holly Ridge Zoning Map to assign Rural Agriculture (RA) zoning district to recently annexed property located at 255 Preston Wells Road. *All Agreed.*

Discussion and Possible Approval of a Proposed Text Amendment of Chapter 7 of the Holly Ridge Zoning Ordinance, Section 7-10-2 to Place Maximum Area Requirements for Freestanding Signage in Relation to Lot Frontage Width.

Manager Reynolds stated when Community Development Director Nate Rhue came on board, he was tasked with going through the town's ordinances to check for consistency and efficiency when dealing with property development. This proposal was presented to the Planning Board last month and was unanimously approved. This would take the width of a lot, and use that as a ratio for a free standing sign, so it becomes consistent across all parcels.

Manager Reynolds said the request is to amend this section by including regulations associated with size of the free standing sign to be comparable to the lot width of the property of where it will be located.

Nate Rhue said currently our ordinance of a free standing sign is a business identification sign that you see on the lot for identifying said business. Our ordinance allows for up to two hundred square feet for these types of signs. In our ordinance also you are permitted a wall sign. Our ordinance allows for one square foot for one linear foot of wall sign. If you have one hundred feet of wall, you have one hundred square feet of sign up to two hundred square feet.

Councilman Hines asked if this would be an advantage for the businesses. Mayor Pro-Tem Hall said bigger building bigger sign, smaller building smaller sign. Mr. Rhue said that was correct in relation to the lot.

Mayor Pro-Tem Hall asked if it is consistency that we are after. Mr. Rhue said that is correct and the way the ordinance is now, you can put any sign up, up to two hundred square feet.

A motion was made by *Councilman Hines* and seconded by *Councilwoman Bragg* to go into Public Hearing. *All Agreed.*

Maxton Sholar – 118 Highway 17 asked if this effects billboards. Mr. Rhue said billboards are considered off premise signs which means if you have a business in one location and the sign is at another location, there is a separate regulation.

Kay Kelly – 220 E. Ocean Road asked if this would grandfather in existing signs. Mr. Rhue said nothing would change the ones that are currently existing, and they would be grandfathered in.

Derek Sholar – 417 S. Hines Street – asked if you have two commercial properties back-to-back and their driveway is beside another one, they only have a small road frontage section, they can no longer have a decent size sign because of the lack of road frontage. Mr. Rhue ask for a more definitive question. Mr. Sholar said if he has a commercial lot back-to-back and your driveway goes to the back parcel which means not a lot of road frontage, is the only thing you can have is a little sign? Mr. Rhue said it would be how wide the lot is. Mr. Rhue said if you have a business in one lot and there is a lot behind you, you would be permitted for the lot in the back, it would not be on the highway. Mr. Rhue said if there is signage up front, that would be considered a billboard which is an off-premises sign.

Manager Reynolds said she thinks Mr. Sholar is referring to a flag lot. Mr. Rhue said the way it is worded, it is from the lot frontage.

Councilman Sholar asked if it could be amended from the widest point of the lot. Mr. Rhue said Town Council can amend it however they would like.

Chuck Strickland 148 Old Landing Road Hampstead – said if you have a lot that is fifty foot wide and five hundred foot deep are you going to allow a five hundred foot sign on the road? Mayor Wenzel said it maxis out at two hundred feet.

A motion was made by ***Councilwoman Bragg*** and seconded by ***Mayor Pro-Tem Hall*** to return to Regular Session. ***All Agreed.***

Councilman Hines said we need to address this somehow.

Mr. Rhue said it sounds like it could take a direction where confusion, whether it is from enforcement side or a developer side. Mr. Rhue said from his perspective, it would be best to keep the ordinance as it is.

Mayor Pro- Tem Hall said the driveway is part of the frontage. Mr. Rhue said it is going to be based on whatever that property is. Councilman Hines said if you have a ten foot driveway that goes back to a hundred foot piece of property, you are only counting the ten foot driveway. Mr. Rhue said that is correct. Mr. Rhue said he does not know of many flag lots which is what they are defined as, but our current ordinance does not allow for newly created flag lots.

Mayor Wenzel said he sees no harm in making application for the flag lots in our ordinance amendment. Mayor Wenzel said he does not see the harm in allowing the total property that does not allow for anyone. It would be affecting someone who owns land that would like to put a sign up. Mayor Wenzel said he does not see the big deal in allowing the widest point of the lot itself for maximum flexibility without restricting the business.

Councilman Hines said somewhere like the Industrial Park the road frontage would be what would be in front of the business that is in the Industrial Park. Mr. Rhue stated wherever the street is. Every lot has some sort of road frontage unless it is a situation where there is an easement.

Councilwoman Bragg said would that not be the solution then to have a provision for a flag lot. Mayor Wenzel said he did not think you could make the calculation based on the width of the lot.

Councilman Sholar said he thinks we need to leave the ordinance like it is.

Maxton Sholar 118 Highway 17 – said it could be like Union Bethel Church where there is a storage place and there is a sixty foot right of way that goes into the back and then there is acreage behind that.

Councilwoman Bragg ask if it was in the best interest of the town to go with the largest width of the lot because the maximum is two hundred square feet, and if we did that would it address any flag lots that may come into existing after the fact.

Mr. Rhue stated new flag lots are not permitted in Holly Ridge. Our current ordinance does not allow for flag lots.

A motion was made by *Councilman Hines* and seconded by *Mayor Pro-Tem Hall* to deny the Proposed Text Amendment of Chapter 7 of the Holly Ridge Zoning Ordinance Section 7-10-2 and deny the Consistency Statement amending Chapter 7 Zoning. *All Agreed.*

Discussion and Possible Approval of a Proposed Text Amendment of Chapter 7 of the Holly Ridge Zoning Ordinance, Section 7-3-14 to Remove the Minimum Required Lot Area of 15,000 Square feet.

Manager Reynolds said Town staff did a survey of the commercial district and along the Highway 17 corridor to find out which lots might be conforming as they currently sit, there were twenty-five lots that were affected. This change would allow for more of the lots in town to be developed for commercial purposes. Our current ordinance does not allow for a re-combination for a re-zoning to bring it into compliance. There are lots located in town that can not be developed due to the size restrictions.

Manager Reynolds said not having any minimum requirements on commercial lots is a standard in other municipalities. Our current ordinance in our commercial district does not require any setbacks unless it abuts a residential district, and then the setbacks would be required on that side. Additionally, there are a lot of times when there are no setbacks and there are no minimums.

Nate Rhue said our commercial district requires a minimum square footage of fifteen thousand square feet. Our ordinance only allows for single family dwellings that do not meet dimensional requirements to be developed, provided all the setbacks are in. Mr. Rhue said when you have older towns there are lots that do not conform so lots that would be less than fifteen thousand square feet, would be able to be developed from a single-family standpoint if they meet the setbacks, ten on each side, twenty in the front, and twenty in the back. This allowance is not allowed in the commercial district even though we have zero setbacks unless it is neighboring residential lots.

Mr. Rhue said between Highway 17, North Green Street, Holly Street, a portion of Sound Road and one block on Highway 50, there were twenty- six lots that do not meet the minimum fifteen thousand square feet.

Mr. Rhue said as our ordinance stands right now, if someone wanted to come in and wanted to combine several lots and wanted to build, they would not be able to do so because even combined, they would not meet the minimum requirements.

Mayor Pro-Tem Hall said this would not allow us to get the small businesses we have been trying to get. Mr. Rhue said it would be his opinion that it would open more opportunity for smaller businesses for these small lots to be developed.

Councilman Hines asked what the change would be with the wording of this. Mr. Rhue stated it would be changing the fifteen thousand square feet to zero minimum square footage in a commercial district.

A motion was made by *Councilman Hines* and seconded by *Councilman Sholar* to go into Public Hearing. *All Agreed.*

A motion was made by *Councilman Sholar* and seconded by *Councilman Hines* to return to Regular Session. *All Agreed.*

A motion was made by *Councilman Sholar* and seconded by *Mayor Pro-Tem Hall* to approve a Proposed Text Amendment of Chapter 7 of the Holly Ridge Zoning Ordinance, Section 7-3-14, Adopt the Consistency Statement, and Approve the Ordinance Amending Chapter 7-Zoning. *All Agreed.*

Discussion and Possible Approval of a Proposed Text Amendment of Chapter 7 of the Holly Ridge Zoning, Section 7-9-4 to limit the size of Accessory Structures in Relation to Principal Structures and Provide Consistent Setback Requirements.

Manager Reynolds said this request was submitted to the Planning Board last month and it is to amend this section by including verbiage that limits the size of the accessory structures in relation to the principal structure located on the property. It also is to provide more consistency for the location of the accessory structures by adding verbiage that provides one set of setbacks

versus multiples. Manager Reynold said it is to make sure everything is consistent throughout the ordinances.

Manager Reynolds said the recommended forty percent of the principles building area came from the home occupation ordinance. There was a proposed change that the Planning Board made which was that they felt the ten-foot setback for the structure was too much and they recommended a five-foot setback. Manager Reynolds said the Planning Boards recommendation was unanimous.

Mr. Rhue said the Planning Board recommended a five-foot setback, and as far as the forty percent of the accessory structure in relation to the principal structure should only apply to lots under twenty thousand. Mr. Rhue said you could have one with acres of property and still be limited from a size perspective even though there were thousands of acreages.

Mr. Rhue said the intent with this was it would allow us as far as enforcement if we have forty percent of a livable area would help code enforcement if there was a home occupation.

Mayor Pro-Tem Hall said we know people are building smaller homes and they are putting all their extra stuff in shed, but she is concerned about limiting that ability to store their stuff on their own property. Mayor Pro-Tem Hall said she is not sure why we should care how many sheds are on someone's property.

Mr. Rhue said we received several calls in the past along the area where the airport is located that there was a request to build hangers on residential properties which is like two-thousand-foot hangers on a family dwelling. When looking into this, you could not do this outright because it is not a permitted use in our ordinance but if you utilized on a single-family dwelling that could be an accessory building.

Mayor Pro-Tem Hall asked if it is with the proportion of the house. Mr. Rhue said that is correct.

Councilman Hines asked if the minimum for any type of residence seventy-five hundred square feet. Mr. Rhue said we do not have a minimum for that, but from a building code with the tiny homes they can be anything. Mr. Rhue said tiny homes are not in our ordinance yet and they are considered RV or mobile homes.

Mayor Pro-Tem Hall asked why we would want to do this and Mr. Rhue said from a consistency sake and from our perspective particularly, like from home occupations and to ensure what the principal use of that property is going to be.

Councilwoman Bragg said she does not want to tell people what they can and can't do with their property.

Councilman Hines said right now they can do any size they want as long as it is ten feet off of the property line. Mr. Rhue said depending on the size it is either five or eight feet.

Mayor Pro-Tem Hall said if you want to fix the five or eight feet portion and come back to the Town Council with just that text. Mr. Rhue said this is before you tonight and if that is where your desire is we can recommend B-1, the modification would only reflect B-1.

Mr. Rhue said he misspoke, and it would be just B “All accessory structures shall be located on the side or the rear and would be the setback of whatever the Town Council chooses.

A motion was made by **Councilman Hines** and seconded by **Mayor Pro-Tem Hall** to go into Public Hearing. *All Agreed.*

Kay Kelly 220 E. Ocean Road said the discussion has been the size of the building, but the way the ordinance is written, it is the size of the out building in proportion to the home. Mrs. Kelly said if she has a twelve hundred square foot home, she could not have but a four hundred eighty square foot building. Mayor Wenzel said that is incorrect.

Mike Kelly 220 E. Ocean Road asked if this included carports. Mr. Rhue said they would be considered accessory structures.

Maxton Sholar – 118 Highway 17 asked if you have a smaller house sitting on fifteen acres of land looks like you need to go by land size and not house size. Mr. Sholar said he needs more storage room than he needs house.

A motion was made by **Councilwoman Bragg** and seconded by **Councilman Hines** to return to Regular Session. *All Agreed.*

Mayor Pro-Tem Hall said she thinks we need to discuss what the setbacks should be from the property line so there is ease for our folks and staff to investigate the buildings and not be according to the size of the building. Mayor Pro-Tem Hall said we just need one number for setbacks and then we need to abandon any changes to the structure size.

Councilman Hines asked what the reason the Planning Board went to five feet. Mr. Rhue said the Planning Board thought ten feet was too far.

A motion was made by **Mayor Pro-Tem Hall** and seconded by **Councilman Sholar** to modify the proposed amendment to amend Section 7-9-4-B to include the language for five feet setbacks from the property line. *All Agreed.*

Attorney Fountain said since this is residential properties, a lot of them may be subject to homeowners’ associations and restricted covenants. This would not affect the covenants which may independently regulate accessory structures in the neighborhoods.

Town Manager Report

Manager Reynolds said there is movement on the restrooms at Morris Landing and a pre-fab building is the most cost effective. We hope to receive the building late April or early May.

Councilman Hines asked if the grant included a walkway to Morris Landing. Manager Reynolds said the grant we were awarded is just for the facility, but the Town Council did prioritize the Morris Landing area because of the restroom facilities, and we have a separate project that the engineer is working on.

Manager Reynolds said there are a couple apartments in the complex across from the Holly Ridge Housing Authority that have sat unfinished, and they were recently purchased, and the new owner is moving forward with renovating those buildings. Manager Reynolds said this project is in the Technical Review Committee process and hopefully soon we will see some movement.

Manager Reynolds sent topics out to the Town Council for the Annual Retreat and hopefully the Retreat can be held late March or early April which will lean into the budget sessions.

Evolve has done a lot of work for the apartments by the Industrial Park such as, concrete being cleared, and fire department did live training this past weekend. This project is in the Technical Review Committee process as well.

Manager Reynolds said Parks and Recreation Coordinator Audrey Madia has completed the Tourism grant and is ready for submission. We are also requesting funds on the Tourism capitol side as well for a new Christmas tree.

Manager Reynolds said the audit has been completed without findings and Finance Director Chuck Strickland has submitted to the LGC for approval. Once it is approved by the LGC we will set up a date and time at a Regular Town Council meeting for the auditors to come and make their presentation.

Manager Reynolds and Spruill Thompson are reviewing an offer on a lot in Phase II in the Industrial Park. Manager Reynolds said once the Economic Development questionnaire is sent back to us, we will execute the purchase sales agreement and move forward with that process.

Manager Reynolds said she has been coordinating with the Governors office and it looks like there will be an event in our Community Center on February 23rd, 2023, at 1:00 p.m. for the big announcement.

Manager Reynolds said the pavement survey is complete and they are working on filing the report and projecting cost for our entire street system.

Mayor Wenzel requested the number of lots under contract in Phase II of the Industrial Park and what the total sales would be as well as what our total loan amount is.

Manager Reynolds said her recommendation would be to take one hundred percent of the proceeds and pay off the note because it does accrue interest.

Councilman Hines asked about the project at the county line. Manager Reynolds said there are two separate owners and the lots have been sub-divided. Mayor Wenzel and Manager Reynolds have a meeting with the CEO of ONWASA. Manager Reynolds said ONWASA was waiting on additional studies because of issues with some pump stations. Councilman Hines said he is wondering why that was not done instead of holding the property owner up for a year. The owners were expecting to be able to complete their project and ONWASA said it could be done and now the owners are unable to go ahead with their project. Councilman Hines asked who dropped the ball.

Mayor Wenzel said ONWASA had an engineering company come out and they discovered the Daisy Chain. If they were to put the large line to service the whole Highway 50, they are concerned about getting that back to the actual facility that treats it. Councilman Hines said he thinks ONWASA was wrong by letting the customer think he was going to be able to build his complex and not he is not able to do so. Mayor Wenzel said the other option would be to go to the pump station in the Neighborhoods of Holly Ridge which is a shorter line but the pump station would have to drop down at least six feet and rebuild it back. There is an engineer firm looking into all of this and they will have an answer on all of this in a month or so.

Mayor Wenzel asked Manager Reynolds for an update on the situation at Summerhouse. Manager Reynolds stated something at the Summerhouse plant has malfunctioned to the point where they are having to pump and haul. This is considered a temporary pump and haul from the Summerhouse Pond to the Holly Ridge plant system due to almost being in violation in Summerhouse because of the level of the upset pond. Manager Reynolds said this is caused by the limited flows we have. They Summerhouse plant will only handle about fifty thousand gallons per day.

Councilman Hines asked about well ten and eleven with the PFAS issue. Mayor Wenzel said he has not heard anything from the update that Frankie gave us the last time we had a meeting. Mayor Wenzel said they are using the wells but not at full capacity. ONWASA is looking for alternate well sites in the Southeast area to be able to put down additional wells. ONWASA is also looking into a lift station for North Topsail Beach as well. Councilman Hines said PFAS is bad everywhere and is a concern for everyone. Mayor Wenzel said he would try and get an update regarding this.

Consent Agenda

A. Approval of the Following Minutes

- January 10th, 2023, Regular Meeting
- January 10th, 2023, Closed Session
- January 19th, 2023, Special Meeting

B. Department Head Reports

- Finance Department
- Fire Department
- Police Department
- Planning & Zoning Inspections Report
- Parks and Recreation

C. Committee Reports

- Planning Board
- Board of Adjustment
- ONWASA
- Re-Branding Committee

D. Approval of Tax Refund Report

A motion was made by *Councilman Hines* and seconded by *Councilman Sholar* to approve the Consent Agenda. *All Agreed.*

Old Business

Discussion and Possible Approval of a Proposal from DS Painting in the amount of \$10,739.00 to Update the Community Center

Manager Reynolds said one of the main objectives in the Master Park Plan was to update our existing facilities before adding new facilities. This item was identified by the Town Council to set aside funds for the updating the Community Center. Manager Reynolds said there were two quotes sent out and one company was not interested in doing the work. This quote was the highest but they said they would apply three coats of paint on the raw wood inside of the Community Center as well as replacing all of the interior doors.

Manager Reynolds suggested that we take from line items 10-620-93-0 and 10-620-96-0 which are the Parks and Recreation line items.

A motion was made by *Mayor Pro-Tem Hall* and seconded by *Councilwoman Bragg* to approve the Proposal from DS Painting in the amount of \$10,739.00 to Update the Community Center. *All Agreed.*

New Business

Possible Appointment of Thomas Hedrick to the Board of Adjustment as a Regular Member for a Term of Three Years.

A motion was made by *Mayor Pro-Tem Hall* and seconded by *Councilman Hines* to Approve the Appointment of Thomas Hedrick to the Board of Adjustment as a Regular Member for a Term of Three Years. *All Agreed.*

Possible Approval of Budget Amendment # 3 for Fiscal Year 2022-2023 for the Purpose of Sanitation Tipping Fee for Expenses and Substance Tax Expenditures.

Manager Reynolds said when the Town went with Pink Trash the tipping fees were included. Last year we put the bids out and GFL who had already acquired Pink Trash the bid that was the most responsive but the did not absorb the tipping fees. When Manager Reynolds and Finance Director Chuck Strickland set the budget for the tipping fees it was pulled out separately. Manager Reynolds said we had numbers based on four years prior when the Town was contracting with GFL. Manager Reynolds said she feels like they underestimated along with the increase from the county for their increase. We are looking at a one hundred five-thousand-dollar deficit in the tipping fees.

Manager Reynolds said the second part of this is for the Substance Tax Expenditures which are the funds that the Police Department receives from drug seizures. Typically, the funds are already deposited into that account which are separate funds from outside of the General Fund. The State and Feds regulate what funds can be spent on. They can only be spent within the Police Department and at this time we would need for the amendment to increase the revenue side since we know what they have received. Then increase the expenditure side for the purpose of ammunition purchases.

Councilman Hines asked how long our contract with GFL is. Manager Reynolds said until 2024. Councilman Hines said everyone is having problems with them and somewhere down the line something must be done.

A motion was made by *Mayor Pro-Tem Hall* and seconded by *Councilwoman Bragg* to Approve Budget Amendment # 3 for Fiscal Year 2022-2023 for the Purpose of Sanitation Tipping Fee Expenses and Substance Tax Expenditures. *All Agreed.*

Discussion and Possible Approval for the Purchase and Installation of Mini Split Units for Public Works from line item 10-540-00-6 not to Exceed \$7700.00 and Authorize the Town Manager to Execute the Contract for Services

Manager Reynolds said the Public Works Department is finishing up their renovations in their building by adding a restroom along with a conference room. Throughout that process, it was realized that to heat and cool that area, they would need mini split units. This is to come out of Capital Outlay for Maintenance and Grounds so that encompasses all the building and grounds of the town. Also included was the parking lot at Town Hall. We had budgeted twenty thousand to complete the square. Public Works was able to handle the job and have the quote reduced by approximately ten thousand, so there will be excess in that account.

A motion was made by **Mayor Pro-Tem Hall** and seconded by **Councilman Hines** to Approve and Purchase the Installation of a Mini Split unit for Public Works from line item 10-540-00-6 not to exceed \$7700.00 and Authorize the Town Manager to Execute the Contract for Services. **All Agreed.**

Persons Wishing to Address the Council

Town Council Comments

Councilman Hines said the work that the Public Works Department did by the Holly Ridge Post office looks great and he thanked the Public Works for doing a good job. Councilman Hines wished everyone a Happy Valentine's Day.

Councilwoman Bragg thanked everyone for coming to the meeting and she wished everyone a Happy Valentine's Day.

Announcements

Mayor Wenzel gave the following announcements:

- Tuesday, February 21st, 2023 – Planning Board Meeting – beginning at 6:30 p.m. in the Council Chambers
- Tuesday, February 28th, 2023 – Board of Adjustment Meeting – beginning at 6:30 p.m. in the Council Chambers
- Thursday, March 2nd, 2023 – Career Celebration honoring Mayor Doug Medlin – beginning at 4:00 p.m. and located at the Surf City Welcome Center
- Wednesday, March 15th, 2023 – Envision Penslow Regional Economic Development Summit – beginning at 8:30 a.m. until 2:00 p.m. located at Onslow Bay Boatworks
- Saturday, April 1st, 2023 – Annual Easter Egg Hunt – Holly Ridge Municipal Park – Event begins at 9:00 a.m.

Closed Session

Adjournment

A motion was made by **Mayor Pro-Tem Hall** and seconded by **Councilman Sholar** to adjourn at 7:56 p.m. **All Agreed.**

Attest:

Jeff Wenzel, Mayor

Tracy Martin, Deputy Clerk

These minutes were recorded and prepared by Deputy Town Clerk, Tracy Martin.

DRAFT