TOWN OF KURE BEACH TOWN COUNCIL

117 Settlers Lane * Kure Beach, NC 28449



Dean Lambeth, Mayor Chuck Keener, Mayor Pro Tem Jim Dugan, Commissioner Barry Nelder, Commissioner Emilie Swearingen, Commissioner

PUBLIC HEARING

APRIL 4, 2011 at 5:30 pm

The Kure Beach Town Council held a public hearing on April 4, 2011 for the purpose of receiving public comments on the Town's Notice of Intent to finance a capital project not to exceed \$600,000 for development of the Ocean Front Park located at 105 Atlantic Avenue. Notice of this hearing was posted at Town Hall on March 17, 2011 and advertised in the Island Gazette newspaper on March 23rd and 30th, 2011 as per General Statute 160A-20.

COUNCIL MEMBERS PRESENT:

COUNCIL MEMBERS ABSENT

Mayor

Dean Lambeth

Mayor Pro Tem

Chuck Keener

Commissioner

Barry Nelder

Commissioner

Emilie Swearingen

Commissioner

Jim Dugan

STAFF PRESENT

Finance Officer

Arlen Copenhaver

Town Clerk

Nancy Avery

Mayor Lambeth called the public hearing to order at 5:30 pm stating the Town Council adopted a resolution on March 15, 2011 giving notice of intent and findings of fact regarding financing of a capital project not to exceed \$600,000 for development of the Town's Ocean Front Park.

Mayor Lambeth stated the Town has received a proposal from BB&T to finance \$600,000 as follows:

17 years at a rate of 4.120% with first year estimated annual payment of \$60,014.00. Total interest over the life of the loan is \$222,478.66. BB&T currently holds the lien on the land which will be paid in 17 years.

Public comments:

- Mike Robertson, 509 H Avenue and owner of various businesses around the Town of Kure Beach stated:
 - This is not the path we need to go down.
 - Money is hard to come by in the commercial businesses we have and I'm sure it is not falling off trees for municipalities
 - When this originally started, Dean (Mayor Lambeth) and Jim (Commissioner Dugan) said it won't cost the taxpayers a cent. Since we have gone past this many times.
 - I don't think the burden should fall on the taxpayers.

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- If it sits empty for 5 years, we still have to pay for the dirt.
- Dan Bell, 950 General Whiting, stated:
 - It is not right to have a public hearing on something this critical to the Town when the website and notice in the newspaper was numbers on a piece of paper.
 - All the mayors since this started have made promises since this started in 2007 that this would not impact taxpayers.
 - I have copies of three development grants and each have numbers that are different from the information included tonight.
 - The first one is the storm water grant. The first page says the contract effective
 date is 10/27/09. Schedule A says the latest date the contract recipient can enter
 into a construction contract is one year after the contract date which is 10/27/10.
 That has long since come and gone. The first question is whether that money,
 \$210,000, is in the bank. If so, does someone have a piece of paper with writing
 that says it is still available.
 - If not, you need to find out right now because if that isn't the case the number could all of a sudden go from \$600,000 to \$800,000.
 - Second, the CAMA grant, unlike figures in the paper that came with the notice today. These papers state the grant is \$200,000 and the local cash match is \$1 million dollar, not the figure listed here. If that money isn't in the bank and if we aren't going to contribute \$1,000,000, we need to find out. We are dealing with a state government in crisis. I doubt they want to accommodate us without considering the quality of what they are getting.
 - PARTF grant is \$456,393. The paperwork says the local government match is \$1,477,000. That is a different number than presented tonight. Is that money in the bank? If it is not in the bank, is there a piece of paper that says that money is going to be available, particularly if we don't meet what the contract says. If none of that money is available, then that amount could be more than \$600,000. If the Town is asking to borrow more than that, the question to the citizens is much different.
 - You should suspend the public hearing until you can present this. You have a sworn duty to present to the public in a way that is true and meets the Town's contractual obligations. Or you have to go forward and I think that would be totally improper.
 - As Mike (Robertson) said, since 2007 when this ill conceived program started, three mayors have sat there and said don't worry, no tax money would be used for this project. That is a political fantasy. It's been a political fantasy from the beginning. Maybe we could have afforded it in 2007. In every town and state and the federal government, things have changed. We cannot afford this. We have a fantasy mayor, posing as a Republican, when top down Republicans.

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Note – At this point, Mayor Lambeth used the gavel telling Mr. Bell to sit down that, that he couldn't say that and that he was finished speaking. Mayor Lambeth directed the clerk to call the police when Mr. Bell wouldn't leave the podium.

Mr. Bell stated no, sir, I will not sit down, here are the facts:

- If you look at Kure Beach's budget on line, you see there is no revenue.
- The revenue stream is limited. The good workers of Kure Beach, the people picking up the trash, have not had a cost of living adjustment in the last two years. With inflations coming one and gas and food prices rising, where are they? Kure Beach owes BB&T already, one million dollars that they are paying from some mysterious fund. That fund is there for emergencies, that's required, or hurricane or catastrophes, not for funding the park. If this thing keeps going on, the only choice is going to be taxes get raised. All of you (Council) are responsible for this. I'm very surprised there aren't more people here. I can only think it is because they must not understand. If taxes go up, it hurts the people and will drastically affect the property desirability and whether or not people will live here. You all have disappointed me from the beginning. I think this has been ramrodded from the beginning. I'll get the money together, somewhere, to get benches and swings out there and if need be, if need be I'll get a little gold plague with your names on it, if this is what that is about.

3) Alan Votta, 810 Fort Fisher Boulevard, stated:

- I'll keep in short. I support the park and would love to see an Ocean Front Park out there.
- My concern is that I think we already pay \$60,000 a year on the original \$1.2 million owed to BB&T and according to this we will owe another \$60,000 on this \$600,000. I don't see where it's itemized. I would like to see an itemized this of what the budget items are and what they are going to cost. What is maintenance going to cost? I know we are looking at private funding if that doesn't come through, we are we looking at The other option, and I know the engineering doesn't want to hear it. The matching grants are going to cost us money.
- The storm water grant is paid in full if the storm water is installed by September. There is no reason we can't put the storm water in now and let it sit. I know the engineer doesn't want trucks driving on it. We can put it in and fence it off. The concrete trucks can pump from Atlantic Avenue and the piling truck will drive up to the back lot and unload and back right out.
- I hope you will consider an itemized list of what this park will cost us. We
 can all look at as common people. I think you should do the storm water first
 and wait on the rest for another year. The grants are good to next year.

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As no one else indicated their intent to speak, the Mayor called for a motion to close the hearing,

MOTION – Commissioner Dugan made the motion to close the public hearing at 5:48 pm.

SECOND - Commissioner Swearingen

VOTE - Unanimous

MOTION - Mayor Lambeth made the motion to go into closed session to discuss a legal/personnel issue with the attorney at 5:49 pm.

SECOND - Commissioner Dugan

VOTE - Unanimous

MOTION - Commissioner Dugan made the motion to return to open session at 6:00 pm.

SECOND - Commissioner Nelder

VOTE - Unanimous

Adjournment

MOTION - Commissioner Nelder made the motion to adjourn at 6:01 pm.

SECOND - Commissioner Swearingen made the motion to adjourn at 6:01 pm.

VOTE - Unanimous

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ATTEST:

12 STATILITY NORTH COMMINION These minutes are not a transcript of the hearing. Persons wishing to hear the recording of this meeting may request to do so by contacting the Town Clerk