

The Washington City Council met in a regular session on Monday, July 10, 2006 at the Municipal Building at 4:30 p.m. Present were: Judy Jennette, Mayor; Darwin Woolard, Mayor Pro tem; Richard Brooks, Councilman; Mickey Gahagan, Councilman; Archie Jennings, Councilman; James Smith, City Manager; Fred Holscher, City Attorney; and Rita A. Thompson, City Clerk. Councilman Gibson was absent.

Also present were: Carol Williams, Finance Director; Jimmy Davis, Fire Chief; Bobby Roberson, Community Development Planning Director; Keith Hardt, Public Works Director; Julie Hicks, Library Director; Allen Lewis, Public Works Director; and Mike Voss, of the Washington Daily News.

Mayor Jennette called the meeting to order and thanked everyone for coming.

Councilman Brooks delivered the invocation.

APPROVAL/AMENDMENTS TO AGENDA

On motion of Mayor Pro tem Woolard, seconded by Councilman Jennings, Council unanimously approved the agenda, as submitted.

APPROVAL OF MINUTES

On motion of Councilman Jennings, seconded by Mayor Pro tem Woolard, Council unanimously approved the minutes of June 12 and June 24, 2006, as submitted.

CONSENT AGENDA

On motion of Mayor Pro tem Woolard, seconded by Councilman Brooks, Council unanimously approved the Consent Agenda, as submitted.

- A. Award – Contract for the Eastern Substation Structures to Hughes Utilities, LTD in the amount of \$147,400

Bids received:

DIS-TRAN Packaged Substations, LLC	\$223,635.00
Hughes Utilities, LTD	\$147,400.00

- B. Accept – Contribution from Wal-Mart **and** Adopt Budget Ordinance Amendment in the amount of (\$1,000)

AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF WASHINGTON, N.C. FOR THE FISCAL YEAR 2006-2007

BE IT ORDAINED by the City Council of the City of Washington, North Carolina:

Section 1. That the Estimated Revenues in the General Fund be increased in the amount of \$1,000 in the account Contributions, Fire/Rescue/EMS account number 10-10-3434-8400.

Section 2. The account number 10-10-4340-5601, Materials-Public Education, Fire Department portion of the General Fund appropriations budget be increased in the amount of \$1,000 to provide funds for materials.

Section 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 4. This ordinance shall become effective upon its adoption.

Adopted this the 10th day of July, 2006

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

Councilman Gahagan wanted to publicly thank Walmart for their contribution.

- C. Adopt – Resolution requesting grant assistance from the State of North Carolina through the Water Resources Development Grant Program

**AUTHORIZING RESOLUTION BY GOVERNING BODY FOR
WATER RESOURCES DEVELOPMENT PROJECT GRANT APPLICATION**

**RESOLUTION FOR THE CITY OF WASHINGTON'S APPLICATION FOR
WATER RESOURCES DEVELOPMENT PROJECT GRANT PROGRAM**

WHEREAS, the City of Washington City Council desires to sponsor a study of the existing stormwater drainage infrastructure to provide recommendations for improvements, and

WHEREAS, the City of Washington intends to request grant assistance from the Water Resources Development Grant Program for the project;

NOW THEREFORE BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF WASHINGTON:

That the City of Washington City Council requests the State of North Carolina to provide financial assistance to the City of Washington for an engineering study of stormwater drainage infrastructure, in the amount of \$50,000.00 (50% of the total project cost);

That the City of Washington City Council assumes full obligation for payment of the balance of the study costs;

That the City of Washington City Council will comply with all applicable laws governing the award the award of contracts and the expenditure of public funds by local governments.

Adopted this the 10th day of July, 2006, in the City of Washington, North Carolina.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

- D. Adopt – Resolution naming the Mid-East Commission grant administrator for the CDBG and NC Rural Center Grants awarded to the City for the Flanders Filters Project

**AUTHORIZING RESOLUTION BY GOVERNING BODY NAMING THE
MID-EAST COMMISSION GRANT ADMINISTRATOR FOR THE CDBG AND
NC RURAL CENTER GRANTS FOR THE FLANDERS FILTERS PROJECT**

**RESOLUTION FOR THE CITY OF WASHINGTON NAMING THE MID-EAST
COMMISSION GRANT ADMINISTRATOR FOR THE FLANDERS FILTERS PROJECT**

WHEREAS, the City of Washington was recently awarded CDBG and NC Rural Center grants for the extension of a 16" water line for the Flanders Filters Project, and

WHEREAS, Kevin Richards and the Mid-East Commission were instrumental in assisting the City with the grant application process for the project; and

WHEREAS, Kevin Richards and the Mid-East Commission have successfully assisted the City with several grant and loan applications in the past; and

WHEREAS, Kevin Richards and the Mid-East Commission have successfully assisted the City with the administration of several grants and loans in the past;

NOW THEREFORE BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF WASHINGTON:

That the City of Washington City Council hereby names the Mid-East Commission grant administrator for the CDBG and NC Rural Center grants for the Flanders Filters Project.

Adopted this the 10th day of July, 2006, in the City of Washington, North Carolina.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

ROGER TUTTLE – ANTI-LITTER CAMPAIGN

Mr. Roger Tuttle, stated that the Miracle Mile Committee contacted with inmates of Greene County to come and clean out Highway 17, in which they picked up 97 bags of garbage in four days. DOT has installed signs now about littering. Mr. Tuttle stated they involved the Highway Patrol, Sheriff Alan Jordan and Police Chief Joe Stringer about the enforcement of littering. The Miracle Mile Committee then went to the Board of Education and got them to start a contest in the school involving the children. The Rotary Club picked up the expenses for the poster campaign for grades sixth through twelfth. All the schools participated except for the Washington Schools, which they didn't even answer the e-mail. There were over 100 posters designed by the children. The Committee chose the winning poster and they were presented with \$50.00. Mr. Tuttle stated he appeared before the County to ask their support and is now requesting the City Council to support the project.

Mr. Tuttle passed out cards to the Council members where you write down the license number on the card and mail it to Raleigh.

A proclamation will also be prepared for more publicity.

On motion of Mayor Pro tem Woolard, seconded by Councilman Brooks, Council unanimously endorsed the Miracle Mile's "Anti-litter Campaign."

CAMA LAND USE PLAN UPDATE

Bobby Roberson presented a schedule of the CAMA Land Use Plan Update. The plan has to be up dated every five years in order to be in compliance with the state's land use regulations. It is a two year process and has been submitted to the Coastal Area Management Commission for their review, with comments due back from them by August 31st. Plans are being reviewed more closely because of the Tar-Pamlico River Rules and Neuse River Rules and Alligator River Rules ,but the City is on schedule.

Mr. Roberson stated that the second part is the Comprehensive Plan, which the Highway 17 corridor is number one for review. More time will be spent on the bypass. Revisions will be made by staff and then sent to the Coastal Resource Commission.

ECONOMIC DEVELOPMENT COMMISSION

Councilman Gahagan stated that he was out of town when the Economic Development Commission met.

TOURISM DEVELOPMENT AUTHORITY

Mayor Jennette stated that the Tourism Development Authority will meet tomorrow.

HUMAN RELATIONS COUNCIL

Mayor Jennette stated that the HRC will meet tomorrow night. At their last meeting they discussed "gang activity" and formed a subcommittee to try to find out ways to stop some of this activity early on. A lot of groups need to be brought to the table. There is a meeting planned on July 19th.

DOWNTOWN WASHINGTON ON THE WATERFRONT

Mrs. Dot Moate, a member of DWOW, stated that Kent Fulton (who passed away recently) has been the heart of DWOW. He had a lot of skills the board will miss, and did something everyday for Washington, through DWOW or some other group. He was a supporter of downtown and his vision was sincere and very heartfelt. His presence projected leadership, knowledge and respect, traits not very evitable in most of us. Washington has lost a true friend and supporter and will be sorely missed. DWOW will be having an executive board meeting, next Tuesday to select new officers and hope to find a new President half as good as Kent was.

Mrs. Moate reported that Saturday Market will be this Saturday and the time has been rescheduled from 8:00 a.m. until 2:00 p.m. because of the heat. There will be a pig picking from 11:00 a.m. until 2:00 p.m. The crab picking on August 19th at 5:30 p.m. The Ayers Alley will be before the Historic Commission tomorrow night. Mayor Jennette asked that a list of the DWOW officers be given to her after the election.

Councilman Jennings asked how the nominations will be taken. Ms. Moate stated that the Nominating Committee will present a slate of officers and then there will be nominations from the floor. Councilman Jennings asked about the spraying of numbers on the asphalt and he was assured they would wash away.

PARKING COMMITTEE

Councilman Jennings stated that the Parking Committee has not met pending formation of the Parking Authority. Requests have been sent out across the state, but no replies were received. The Manager will go nationally with efforts to pursue this.

WARREN FIELD AIRPORT

Mr. Smith stated that bids were awarded last month for the runway and taxiway lighting project. Tonight bids will be awarded for the fencing for about half of the enclosure of the airport. New leases are being sent out now. The RFP for an Airport Manager is in draft form and should be out this week. Applicants will be given 30 days to respond.

REPORT – CDBG INDIVIDUAL DEVELOPMENT ACCOUNTS

Mr. Roberson stated that the Individual Development Accounts were set up for first time home buyers through the CDBG Block grant activity with a joint venture through Duke Endowment. A sub-recipient agreement was executed between the City of Washington and the Washington Housing since BERCP did not receive funding.

Gina Amaxopylos, of the Washington Housing Authority, gave an update on the individual Development Accounts. The transition began May 1st with the nonprofit and will grow to be a one stop asset shop for homeownership. People are brought in for credit counseling, money management courses, then to home ownership. Half of her commission will be donated back into the nonprofit to refund it. Several recommendations have been made by the City Council, particularly Richard Brooks.

Mrs. Amaxohylos stated that they have switched the grants, paperwork such as name changes, etc. and are continuing to market to new and existing clients at their location at Job Link. People who are not ready to get into the IDA will be counsel to improve their credit scores. They are partnering with difference banks in town, to do classes on money management, pre-homeownership, etc. They are working to become a HUD approved nonprofit agency and have achieved the 501C status under the Housing Authority, a lot more funding is available to them. Their second person is ready to go into home ownership, with the last one being a City of Washington employee with five children. The minimum length of time to get into the program is 6 months, with 12 months being the average.

REPORT – CDBG URBAN REDEVELOPMENT PROGRAM

Mr. Roberson stated that the original grant award for the Urban Redevelopment Program was \$1 million, \$750,000 for the George and \$130,000 for the Façade Improvement Program. The remaining portion was \$120,000 for administration.

Mr. Roberson discussed the Façade Improvement Program. He stated that because this is both a federal and state historic district, they are having to preclear with the State Historic Preservation Office. They were informed about 90 days ago that the original architectural rendering sent to the State Office did not meet all the criteria and some applications have had to be resubmitted. Four of the fourteen have been approved. The others will be notified that they were not detailed enough.

Mrs. Lucy Grist, on behalf of Progress Partners, presented a power point presentation on the George Marketing Synopsis. The first plan called for five penthouses which did not get approved. The plan now calls for spa (located on the roof top), restaurant and the rooftop will include a Riverfront Pavilion (seating 50 with umbrella tables), and Sky Deck (room for 150-200 people). There will be 27 guest rooms and on the fourth level (SkySuite) will have 9 suites and an upscale parlor. The Restaurant will be the Bistro Portofino will feature a Papas menu.

Mrs. Grist stated she hopes it will be ready for the Boat show in April, 2007. The investors made the decision to not to pursue the tax credits if it would slow the project down anymore. Mr. Roberson stated that the State Historic Preservation Office is looking for the contract documents by December this year, or they will ask for their money back. Council members expressed concern about the interactions between the local office and Raleigh that can slow things down going back and forth, and things should not wait until December. Mrs. Grist stated they are ahead of the game.

Mayor Jennette stated Council should receive regular updates, if not every meeting, every other meeting.

**REPORT – USDA TURNAGE THEATER UTILITY
RELOCATION GRANT**

Mr. Roberson stated that all the activities have been completed except Cox Communications. Originally they did not want to participate in the relocation aspect of this project. At the last hour, Cox Communications came forward and wanted to relocate their cable, and is the only outstanding thing that is remaining on the major portion of the grant. Project should be completed by December of this year.

Mayor Jennette asked about the alleyway project. Mr. Roberson stated the priority on the grant was the relocation of the utilities and is hard to go over to the alley project if there is cost outstanding. Councilman Jennings asked what he means by its close to taking money away from the alleyway? Mr. Roberson stated that we set aside about \$5,000 to \$7,000 for the alleyway. We had \$150,000 and we are down to about \$90,000, so about \$12,000 is what we have left. Mayor Jennette asked what we spent that cost that much? Mr. Roberson stated we encased the sewer line as opposed to relocating it, telephone cable was encased (not relocated). Mayor Jennette stated that the money that was supposed to be spent for electric underground (\$50,000) and that money was going to the alleyway. Ms. Williams stated that none of that money was encumbered. Mayor Jennette asked staff to find out where that money is, that she has been telling people that we have \$100,000 to spend on the alleyway.

Mr. Roberson stated, that in summary, don't count on utility relocation for a lot of money to be transferred over to the alley. Mayor Jennette asked staff to be tougher with the utility companies, and not come in at the end. Mr. Roberson stated this grant slipped through the cracks between the exchange of managers. It was supposed to have been done in six months and fourteen months later, no money had been spent. In less than seven months, the majority of the money has been spent.

**AWARD BID – CONTRACT FOR WARREN FIELD AIRPORT
FENCING CONTRACT**

Mr. Smith stated that this fencing will take us half way around the Airport. After this project, there will be approximately \$107,000.00 of 2005 funds and the entire \$167,379.75 of 2006 funds remaining. The City is awaiting recommendations from Talbert & Bright, our engineers, with regard to utilizing these funds for either taxi ways and other infrastructure to support additional T-hangars construction or for additional fencing. Mayor Jennette stressed that we need to go ahead and get the fencing done.

On motion of Councilman Jennings, seconded by Mayor Pro-tem Woolard, Council unanimously awarded a contract in the amount of \$158,379.75 to Whitehurst & Sons of Greenville, N. C for the installation of 8' perimeter fencing at Warren Field Airport.

**DISCUSSION – PROPOSED FY 2007 CDBG COMMUNITY
REVITALIZATION APPLICATION**

Mr. Roberson stated that the City, along with Holland Consulting Planners, complete a previous application in FY 05-06 but were unable to receive funding because of the new allocation of CDBG dollars to the western part of the state. In addition, the City was near the maximum cap allowed for small cities at \$1.2 million. According to Reid Whitesell, Vice President of Holland Consulting Planners, the category "Community Revitalization" has been eliminated for the up coming year. However, a new category with emphasis on "innovative" activities related to housing and public works activities has been included in the funding proposal up to \$700,000. In order for the City to be competitive in the CDBG program the City must maintain a \$70,000 commitment, as a minimum, in order for them to be competitive. We have used the combination of housing rehabilitation for both owner occupied individuals and investor owners, and local option (infrastructure). On this one, the local option category is removed and they are looking for innovative techniques.

Mr. Roberson pointed out an area on the map which is in the general neighborhood of Beebe Memorial Park. The grant is done by Holland Consulting Planners, with no charge to

the City. This money is not budgeted (\$70,000). Program income has been used in the past to leverage those dollars. The area they are looking at for (1) stormwater (2) Beebe Memorial Park (add monies), and (3) housing rehabilitation at the areas of 5th, 6th and 7th Streets.

**APPROVE – APPLICATION FOR RURAL CENTER
DEVELOPMENT GRANT (OAKVIEW CAPITAL LLC)**

This item was deferred until the August meeting.

Council took a break at 5:54 p.m. and reconvened at 6:00 p.m.

**PUBLIC HEARING – ADOPT – ANNEXATION ORDINANCE TO EXTEND
CORPORATE LIMITS FOR CONTIGUOUS ANNEXATION OF FIRST SOUTH
BANK OPERATION CENTER EXPANSION**

Mayor Jennette stated this is a public hearing and called for comments from the audience.

There were no comments.

Mayor Jennette closed the public hearing.

On motion of Mayor Pro tem Woolard, seconded by Councilman Brooks, Council unanimously adopted the Annexation Ordinance to extend the corporate limits for contiguous annexation of First South Bank Operations Center located at 220 Creekside Drive and containing .990 acres.

**AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE
CITY OF WASHINGTON, NORTH CAROLINA**

WHEREAS, the Washington City Council has been petitioned under G.S. 160A-31 to annex the area described below; and

WHEREAS, the Washington City Council has by resolution directed the City Clerk to investigate the sufficiency of the petition; and

WHEREAS, the City Clerk has certified the sufficiency of the petition and a public hearing on the question on of this annexation was held at the City Council Chambers on the 2nd floor of the municipal building located at 102 East 2nd Street at 6:00 p.m. on Monday, July 10, 2006 after due notice by the Washington Daily News on July 1 & July 3, 2006;

WHEREAS, the Washington City Council finds that the area described herein meets the standards of G.S. 160A-31;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Washington, North Carolina that:

Section 1. By the virtue of the authority granted by G.S. 160A-31, the following described territory is hereby annexed and made part of the City of Washington as of August 31, 2006:

All that certain tract of parcel of land lying and being situated in the Washington Township, Beaufort County, North Carolina and being described by metes and bounds as follows:

BEGINNING at an existing iron pipe on the eastern line of Lot 7, Arbor Bluffs Subdivision as recorded in Plat Cabinet B, Slide 80 of the Beaufort County Register of Deeds Office, said iron pipe being located N 25° 47' 44" W 210.12', N 25° 38' 34" W 140.84' and N 25° 47' 44" W 4.76' from an existing P.K. nail located on the northern right-of-way of NCSR 1448 (Creekside Drive). From the above described beginning, so located, running thence as follows:

With the eastern line of referenced Lot 7, Arbor Bluffs Subdivision, N 25° 47' 44" W 108.94', thence leaving the eastern line of said Lot 7, Arbor Bluffs Subdivision, N 58° 24' 04" E 392.39', thence S 31° 35' 56" E 108.38', thence S 58° 24' 04" W 403.41' to the point of beginning containing 0.990 acres.

Section 2. Upon and after August 31, 2006, the above described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Washington and shall be entitled to the same privileges and benefits as other parts of the City of Washington. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10.

Section 3. The Mayor of the City of Washington shall cause to be recorded in the office of the Register of Deeds of Beaufort County, and in the office of the Secretary of the State in Raleigh, North Carolina, an accurate map of the annexed property, described in Section 1 above, together with a duly certified copy of this ordinance. Such a map shall also be delivered to the County Board of Elections, as required by G.S. 163-288.1.

Adopted this 10th day of July, 2006

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

Annexation #06-A-02
First South Bank

**ADOPT – ANNEXATION ORDINANCE TO EXTEND CORPORATE LIMITS FOR
THE NON-CONTIGUOUS ANNEXATION OF ASHLAN, INC.**

Mayor Jennette stated this is a public hearing and called for comments from the audience.

There were no comments.

Mayor Jennette closed the public hearing.

On motion of Mayor Pro tem Woolard, seconded by Councilman Brooks, Council unanimously adopted the Annexation Ordinance to extend the corporate limits for non-contiguous annexation of Ashland located at 2289 West 5th Street (Hwy 264 West).

**AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE
CITY OF WASHINGTON, NORTH CAROLINA**

WHEREAS, the Washington City Council has been petitioned under G.S. 160A-58.1 to annex the area described below; and

WHEREAS, the Washington City Council has by resolution directed the City Clerk to investigate the sufficiency of the petition; and

WHEREAS, the City Clerk has certified the sufficiency of the petition and a public hearing on the question on of this annexation was held at the City Council Chambers on the 2nd floor of the municipal building located at 102 East 2nd Street at 6:00 p.m. on Monday, July 10, 2006 after due notice by the Washington Daily News on July 1, 2006 & July 3, 2006;

WHEREAS, the Washington City Council finds that the area described herein meets the standards of G.S. 160A-58.1(b), to wit:

- a. The nearest point on the proposed satellite corporate limits is not more than three (3) miles from the corporate limits of the City of Washington.
- b. No point on the satellite corporate limits is closer to another municipality than to the City of Washington.
- c. The area described is so situated that the City of Washington will be able to provide the same services within the proposed satellite corporate limits that it provides within the primary corporate limits.
- d. No subdivision, as defined in G.S. 160A-376, will be fragmented by this proposed annexation;
- e. ~~The area within the proposed satellite corporate limits when added to the area within all other satellite corporate limits, does not exceed ten percent (10%) of the area within the primary corporate limits of the City of Washington. *This Standard does not apply to the City of Washington.*~~

WHEREAS, the Washington City Council further finds that the petition has been signed by all of the owners of real property in the area who are required by law to sign; and

WHEREAS, the Washington City Council further finds that the petition is otherwise valid, and that the public health, safety and welfare of the City of Washington and of the area proposed for annexation will be best served by annexing the area described;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Washington, North Carolina that:

Section 1. By the virtue of the authority granted by G.S. 160A-58.2, the following described non-contiguous territory is hereby annexed and made part of the City of Washington as of August 31, 2006:

All that certain tract of parcel of land lying and being situated in the Washington Township, Beaufort County, North Carolina and being described by metes and bounds as follows:

BEGINNING at an existing concrete monument on the western right-of-way of US Hwy 264 (West 5th Street), said concrete monument being the northeastern corner of the Ellen G. Taylor Property as described in Torrens Book 6, Page 420 of the Beaufort County Register of Deeds Office. From the above described beginning, so located, running thence as follows:

Leaving the western right-of-way of US Hwy 264 (West 5th Street), S 46° 19' 00" W 247.20', thence N 32° 18' 36" W 238.95', thence N 46° 29' 00" E 90.96', thence N 57° 02' 33" E 153.13' to an existing iron pipe on the western right-of-way of US Hwy 264 (West 5th Street), thence with the western right-of-way of US Hwy 264 (West 5th Street), S 32° 18' 36" E 209.61' to the point of beginning containing 1.227 acres.

Section 2. Upon and after August 31, 2006, the above described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Washington and shall be entitled to the same privileges and benefits as other parts of the City of Washington. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10.

Section 3. The Mayor of the City of Washington shall cause to be recorded in the office of the Register of Deeds of Beaufort County, and in the office of the Secretary of the State in Raleigh, North Carolina, an accurate map of the annexed property, described in Section 1 above, together with a duly certified copy of this ordinance. Such a map shall also be delivered to the County Board of Elections, as required by G.S. 163-288.1.

Adopted this 10th day of July, 2006

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

Annexation #06-A-03
Ashlan, Inc.

**ADOPT – ORDINANCE TO PLACE A TEMPORARY MORATORIUM ON
ANY CITY DEVELOPMENT APPROVAL PROCESS ALONG THE
PROPOSED US 17 BYPASS**

Ms. Dot Moate, representing the Planning Board, stated that the N. C. Department of Transportation is buying the right of way along the corridor. In order for the Planning Department to develop a plan along the proposed right of way, it will necessitate a series of public meetings. The Planning Board is requesting a temporary moratorium be authorized by the City Council in order for them to make recommendations on appropriate land uses along this corridor area.

Mr. Roberson showed the area on the map where the highway will go over the old Charlie Toms building and the Double Diamond. The Whispering Pines area will be elevated. The northern most interchange will be at Whispering Pines and Highway 17 now.

Councilman Jennings stated that from that design, 5th Street will become increasingly congestive and we need to get ahead of it now. Mr. Roberson stated they will look at that during the moratorium. Also, another outer loop is needed for the 15th Street traffic.

Mayor Jennette asked that landscaping be looked at. She also asked that a meeting be arranged with DOT.

Mayor Jennette stated this is a public hearing and called for comments from the audience. There were none.

Mayor Jennette closed the public hearing.

On motion of Councilman Gahagan, seconded by Mayor Pro tem Woolard, Council unanimously accepted the recommendation of the Planning Board and adopted an Ordinance placing a moratorium on any City development approval processes 500 feet on either side of the proposed US 17 Highway corridor boundary, as shown on maps prepared by Flatiron, a joint venture, and Earth Tech for the Department of Transportation project number R-2510B.

ORDINANCE

WHEREAS, Cities may adopt temporary moratoria on any city development approval process required by law, as provided by NCGS 160A-381(d), and;

WHEREAS, the development moratorium is proposed to be more than 61 days and is therefore subject to the notice and hearing requirements established under NCGS 160A364, and;

WHEREAS, any ordinance establishing a development moratorium must expressly include at the time of adoption statements as to why the moratorium is necessary which is as follows:

**Statements of Fact
City of Washington Moratorium
US 17 Bypass Land Use/ Development Controls**

1. Statement of the problems or conditions necessitating the moratorium.
 - a. As of June 26, 2006, the North Carolina Division of Highways was in the process of acquiring right-of-way for the construction of the US 17 City of Washington Bypass (Transportation Improvement Project R-2510B) from US 17 south SR 1149 (Price Road) and US 17 to north of SR 1509 (Springs Road).
 - b. Until said right-of-way acquisition is finalized, the City of Washington will not know the exact location of the proposed US 17 Bypass. Right-of-way plans are expected to be completed by the Division of Highways by July 31, 2006, and right-of-way acquisition by April 30, 2007.
 - c. As of June 26, 2006, the City of Washington Planning Board and City Council are actively preparing a CAMA Land Use Plan and a Comprehensive Plan. Both plans will affect development in the vicinity of the US 17 Bypass and the development/enforcement of land use control ordinances regulation such development. The adoption of both plans by the City of Washington City Council is expected on or before September 29, 2006.
 - d. Growth and development of land uses along the US 17 Bypass right-of-way including, but not limited to, residential, commercial, industrial, institutional, and public and private, is expected. Existing land use control ordinances are not considered adequate to respond to increased development adjacent to the US 17 Bypass corridor.
 - e. There is no alternative to the imposition of a temporary moratorium on development along the US 17 Bypass to afford the City of Washington an opportunity to develop and adopt adequate land use regulatory controls. Therefore, no alternatives were considered.
2. Statement of the development approvals subject to this moratorium.
 - a. This moratorium will apply to all parcels of property, a shown on Beaufort County tax records effective as of July 11, 2006 which are within the City of Washington planning jurisdiction and are adjacent to the proposed US 17 Bypass right-of-way as shown on the North Carolina Division of Highways Project R-2510B Preliminary Plans dated April 6, 2006, as prepared by Flatiron/United, a joint venture, and EarthTech. This moratorium shall not apply to any project for which a valid building permit issued pursuant to NCGS 160A-417 is outstanding; to any project for which a conditional use permit application or special use permit application has been accepted by the City of Washington; to development approved pursuant to NCGS 160A-385.1; to development for which substantial expenditures have already been made in good faith reliance on a prior valid administrative or quasi-judicial permit approved by the City of Washington; or to preliminary or final subdivision plats that have been accepted for review by the City of Washington prior to Washington City Council's call for a public hearing to adopt this moratorium. Any preliminary subdivision plat accepted for review by the City of Washington prior to the call by the Washington City Council for the public hearing of this moratorium, if adopted shall be allowed to proceed to final plat approval without being subject to this moratorium.
 - b. The imposition of a moratorium on rezonings, subdivision preliminary and final plat approvals, and the issuance of building permits will allow the City to prepare and adopt the land use related controls to regulate such development.
3. Date and time for moratorium termination

This moratorium will terminate at 12:01am, November 15, 2006. The termination date and time are sufficient to allow time for the City of Washington to complete the 2006 CAMA Land Use Plan and 2006 Comprehensive Plan. Any land use controls imposed as a result of the construction of the US 17 Bypass must be coordinated with these plans.

4. Schedule

The following dates provide for the schedule of actions which are to be followed by the City of Washington during the duration of the moratorium to address the problems/conditions leading to imposition of this moratorium:

- a. July 31, 2006 – North Carolina Department of Transportation to finalize US 17 Bypass right-of-way location.
- b. July 2006 to September 29, 2006 – Finalize the City of Washington 2006 CAMA Land Use Plan and Comprehensive Plan.
- c. July 2006 to October 2006 – City of Washington Planning Board will consider proposal for land use control regulatory changes.
- d. November 14, 2006 - City of Washington will advertise and conduct public hearing(s) for proposed regulatory changes.

Now Therefore Be It Ordained:

The City of Washington finds it necessary for the moratorium in order to provide for orderly growth and development with the anticipation of the new US Highway 17 By-Pass to be located on the western side of the municipality by coordinating the streets and highways with other public facilities to lessen traffic congestion and to allow for the distribution of population in a manner that will avoid congestion and overcrowding and create conditions essential to the public health, safety and the general welfare of all our citizens by developing a corridor study to be consistent with The Comprehensive Plan for current and future development.

Adopted this 10TH day of July, 2006

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

Mayor Jennette asked Mr. Roberson to thank the Planning Board for their hard work.

**ACCEPT – REVISED GRANT APPLICATION FOR ONE HARDING
SQUARE NC RURAL CENTER VACANT BUILDING REUSE**

Mr. Roberson stated that Friedman-Ravenwood, LLC has come back to revise their grant. He commented that when the City applies for a grant with a certain number in it for job creation, the grant agency is looking for that number of jobs being created.

Mayor Jennette opened the public hearing.

Mr. Craig Newton stated that they would propose to push for half of the money when the business starts, and the other half when they achieved the number of jobs they have proposed. This will take the risk away from the City. The original application was for a five-

story hotel, 40 rooms, plus rooftop and ground floor restaurants. They have decided that it is best to postpone the hotel project until market demand increases. They feel this is a viable project in the future.

Councilman Jennings asked about extending the footprint of the building. Mr. Newton stated they would not be extending the building, only providing outdoor seating in open space, and they would like to present that to the City as they develop the plans. They would be asking for some kind of easement from the City for outdoor seating. Councilman Jennings asked if that is a deal breaker? Mr. Newton answered, likely. The number of seats they would like to have are taken into consideration with the outdoor seating. No infrastructure would be built. It is estimated that a restaurant will create a minimum of 18 full time jobs, thereby meeting the qualifications for the full \$175,000 grant amount (\$10,000 per job). Additional jobs will be created by other tenants.

Mayor Jennette closed the public hearing.

After discussion, on motion of Mayor Pro tem Woolard, seconded by Councilman Gahagan, Council unanimously authorized the Mayor to sign the grant application in the amount of \$400,000 to be submitted to the N. C. Rural Economic Development Center under the grant "Building Reuse and Restoration" category for the renovation of the building located at 1 Harding Square (Old McQuay Building).

COMMENTS FROM THE PUBLIC

There were no comments from the public.

CLOSED SESSION – UNDER G. S. 143-318.11 (A)(6) PERSONNEL

On motion of Mayor Pro tem Woolard, seconded by Councilman Jennings, Council unanimously agreed to go into closed session at 6:45 p.m. under G. S. 143-318.11(a)(6) Personnel.

At 7:00 p.m., on motion of Councilman Brooks, seconded by Councilman Gahagan, Council unanimously agreed to come out of closed session.

KEEPING AGENDA COVERS

On motion of Mayor Pro tem Woolard, seconded by Councilman Brooks, Council unanimously agreed to keep sending the agendas out with agenda covers.

On motion of Mayor Pro tem Woolard, seconded by Councilman Gahagan, Council unanimously adjourned the meeting at 7:30 p.m.

Rita A. Thompson, CMC
City Clerk