

# CAROLINA BEACH

Town Council Workshop Minutes  
Friday, May 4, 2018 @ 8:30 AM  
Council Chambers  
1121 N. Lake Park Boulevard  
Carolina Beach, NC 28428

## ASSEMBLY

The Town of Carolina Beach Town Council Workshop was held on Friday, May 4, 2018 at 8:30 AM at Carolina Beach Presbyterian Church.

PRESENT: Mayor Joe Benson, Mayor Pro Tem Tom Bridges, Council Member LeAnn Pierce, and Council Member JoDan Garza

ABSENT: Council Member Steve Shuttleworth

ALSO PRESENT: Town Manager Michael Cramer, Town Attorney Noel Fox, and Town Clerk Kim Ward

### 1. MEETING CALLED TO ORDER BY MAYOR BENSON

### 2. DISCUSSION ITEMS

- a. Mayor Benson opened the meeting and each guest introduced themselves (see attached list of attendees).

Distribution of Sand Dollars:

Carolina Beach Town Manager Michael Cramer explained the reason this topic was put on the agenda.

Kure Mayor Bloszinsky stated that the State Representatives are working hard to secure the funding and stated that there needs to be a plan that everyone can support. He feels this is a very important topic and should be expanded to the riverfront. The riverfront is another important part of the economy to New Hanover County.

Wrightsville Beach Chamber of Commerce Sue Bullock said that she is interested in the private sector and hospitality collection. She would like to see the municipalities that collect room occupancy tax be able to share in the decision process as to where those dollars go and how they are spent.

Wilmington Council Member Kevin O'Grady stated that he used to be on the Beach and Waterways Commission. The river is a waterway and the City of Wilmington never received a penny. They built a river wharf that the City paid for. They need a maintenance program and need financial help with that. He recommended being smart about the distribution of the money and not fight amongst one another.

Commissioner Barfield stated that he feels that everyone should have some skin in the game. Seven years ago there was an agreement for everyone to put in 17.5%. He stated that the County is doing their part and everyone else should do their part.

County Manager Chris Coudriet said that the State established a program that creates policy where the State will match the money no matter where the money comes from. If this doesn't make the short session, it will be at the top of list for the long session next year.

Kure Beach Commission Heglar said that the reason the Beach Towns Meetings started 7 years ago is because the federal government said that they were going to start pulling back. The money would go fast without some other funding source. They Mayors at the time were working with Representative Ted Davis to look for sustainability. He feels that everyone needs to speak the same language and be one voice, otherwise you fall apart. He also mentioned that everyone should keep that in mind when they are speaking to the media. He mentioned that this doesn't affect just Kure Beach, Carolina Beach, and Wrightsville Beach citizens, there are people that live in Wyoming that own property here. Someone from every county in North Carolina own property in Kure, Carolina, and Wrightsville Beach. The communication plan needs to mention that.

Carolina Beach Council Member Pierce stated that she, Mayor Benson, Mayor Blair, and Mayor Saffo serve on the committee with Representative Davis. She agrees that everyone should have skin in the game but feels that the beach residents cannot generate the revenue needed to put sand on the beaches. She stated that you cannot raise the room occupancy tax and keep your visitors, they will go somewhere else. She suggested looking at other options.

Commissioner Barfield said the beach towns do not want to put up money but Wrightsville Beach has consistently put resources aside in their budget for sand. They do not ask the County for anything. Carolina and Kure Beach are not willing to do that. Carolina Beach wants to take their marketing dollars and put them in the sand fund which will reduce the overall effectiveness of marketing for the entire region, which means it would cost Wilmington and Wrightsville Beach more for marketing because Carolina Beach is not willing to do their fair share.

Carolina Beach resident Jerry Bagnell said the goal is to make this an attractive place that people want to come. The residents are looking to have more people coming in and spending money.

Mayor Bloszinsky wants to clarify that the beaches are doing their part. The beaches are providing infrastructure, police protection, utilities, etc. That takes money and effort. The ROT is what they use for the 17% contribution including advertising.

Mayor Benson said this is coming back to the TDA for discussion.

Commissioner Rob Zapple asked not to lose sight of the success that has happened over the years. He also mentioned the Shallow Draft Inlet Dredging. Money has been put in by all beach communities and led by the County and they are having great success.

Representative Ted Davis followed up on the Shallow Inlet Dredging. They were able to put aside \$1 million. Without the inlet, there would be no commercial fishing.

Mr. Cramer stated that he hears everyone saying the same thing just in different ways. He mentioned that Carolina beach puts away \$350,000 every year for sand. He feels that it is important to get everyone to the table so this information is known and the community can move forward as a team.

Mr. Coudriet feels that it is a mistake to assume the absence of state and federal funding. You are forcing a solution of another source of revenue or redistributing what is already collected. Representative Davis has worked for years to establish that it is a state interest to fund beach nourishment projects. He suggested possibly establishing a plan assuming the diminishing participation by the federal government. Congressman Rouzer and Keith Smith work on these types of topics every day. He cautioned the mindset of everything being worst case.

Mr. Cramer feels that it would be great if all communities work together instead of individually with the State Representatives.

Commissioner Heglar said that they are looking for direction on a plan.

Council Member O'Grady stated that there is a committee called Resort Towns and Convention Cities. They are using the strength of vacation business to impress the legislature to show how important resort communities are to the state. Tony McEwen is the City's legislative representative on that committee.

Commissioner Watkins suggested moving on to the next topic of Room Occupancy Tax. He stated that the ROT that is not being collected, needs to start being collected.

County Chief Financial Officer Lisa Wurtzbacher stated that they are changing the way ROT is collected. Owners of property will report their ROT online and that will give them the information they need to start an audit program. They also have purchased software that looks at all of the vacation rental sites and will list out all of the properties. The County will then reach out to the property owners to make sure they are reporting properly. The online reporting should go online July 1, 2018.

Chief Communications Officer Ruth Smith stated that Keith Smith is working with Washington every day and Tom Fetzer is in Raleigh working hard to get the state match for the Kure Beach Project.

Keith Smith with Prime Policy Group. They represent and live in New Hanover County. He mentioned the 2018 WRDA Bill will help the beaches of New Hanover County. Their priorities are the 15 year extension for Carolina Beach and the cap for Wrightsville Beach. The Corps is in the process of evaluating both of those projects.

Sue Bullock thanked everyone who works at the congressional level. Scoping meetings for cost analysis are important to show the Corps for production on recreation.

New Hanover County Chairman Woody White feels that if someone is in attendance for the first time, they would think there is not a plan. The County has solely funded several projects that support beach nourishment such as the hiring of Layton Bedsole, they engaged a group in Washington D.C., and they have engaged state representation in Raleigh. He confirmed that 98

counties in North Carolina and 50 states own property here. That's how Tom Fetzer was able to get that state commitment. There is a plan and it has had tremendous improvement. His personal take is that it's time to revisit the TDA and talk about how those funds are distributed.

Carolina Beach MPT Bridges feels the conversation is good. He reminded everyone that the name changed from beach nourishment to Coastal Storm Damage Reduction so it's more than just putting sand on the beach, it is protecting the structures.

Commissioner Barfield stated that the County has always been there for the beach towns.

Transportation Options for Pleasure Island:

Mayor Bloszinsky stated that there needs to be a plan for transportation infrastructure. He would like to get together to narrow down to three good ideas. He mentioned the possibility of a river taxi. He stated that there needs to be some thought or a plan if something happens to the Snow's Cut Bridge.

Carolina Beach Council Member Garza stated that the community lacks a plan for pedestrians, bicycles, and golf carts.

Commissioner Barfield mentioned that he is a long term TAC member. He feels that golf carts are going to significantly impact traffic in Carolina Beach.

Council Member Pierce stated that Council Member Shuttleworth is the MPO representative and Carolina Beach recently had a traffic study that showed the Carolina Beach corridor was one of the most dangerous in the county. The recommendations will go to the MPO with hopes to have the County support.

Council Member Lawler stated that Wilmington has a free downtown trolley. They reconnected four areas during the Azalea Festival and it was very successful. The numbers went way up. This may be a permanent change.

Mayor Benson mentioned that the WMPO came in and presented their 25 year plan and gave the public an opportunity for their input.

Kure Beach Commissioner Oliver mentioned that there has been a study on a water taxi.

Congressman Rouzer thanked the County and all participants for the conversation. He feels they are ahead of the game and should be commended for that. 70% of the federal government budget is entitlement spending. That 70% drives 85% of the increase in debt. It puts more of a squeeze on discretionary spending. More than half of that 30% is funding the military and the world is getting more dangerous. That number will be increasing in the next 15 years. The unemployment is at 3.9%. It hasn't been that in 70 years. They are going to continue to support the beaches. The WRDA Bill helps. The discussions today will have great ramifications in 15 to 20 years. Medicare and Medicaid are the entitlements that are mentioned. Baby boomers are retiring and health care costs escalate by the day. You lose support in Raleigh because people 30 miles inland do not see the benefit.

Mayor Benson thanked everyone for coming out.

2018 Beach Towns Meeting Attendees:

Congressman David Rouzer  
District Director Chance Lambeth  
Representative Ted Davis, Jr.  
Representative Holly Grange

New Hanover County:

Chairman Woody White  
Vice-Chairman Skip Watkins  
Commissioner Jonathan Barfield, Jr.  
Commissioner Rob Zapple  
County Manager Chris Coudriet  
Deputy County Attorney Kemp Burpeau  
Shore Protection Coordinator Layton Bedsole  
County Clerk Kym Crowell  
Chief Communications Officer Ruth Smith  
Chief Financial Officer Lisa Wurtzbacher

City of Wilmington:

Mayor Pro-Tem Margaret Haynes  
Council Member Paul Lawler  
Council Member Kevin O'Grady

Carolina Beach:

Mayor Joe Benson  
MPT Tom Bridges  
Council Member LeAnn Pierce  
Council Member JoDan Garza  
Town Manager Michael Cramer  
Attorney Noel Fox  
Clerk Kim Ward

Kure Beach:

Mayor Craig Bloszinsky  
MPT David Heglar  
Commissioner John Ellen  
Commissioner Allen Oliver  
Town Clerk Nancy Avery  
Commissioner Joseph Whitley  
Attorney Andy Canoutus

Wrightsville Beach:  
Mayor Bill Blair  
Alderman Hank Miller  
Alderman Elizabeth King  
Town Manager Tim Owens  
Attorney John Wessell

Other Representation:  
Natalie Haskins English, President and CEO Wilmington Chamber of Commerce  
Keith Smith Prime Policy  
Portia Morgan, Carolina Beach resident  
Jerry and Amy Bagnell, Carolina Beach resident  
Sue Bullock, Wrightsville Beach Chamber of Commerce

**3. MEETING ADJOURNED AT 10:00 AM**

Approved on June 12, 2018.

Submitted by Kimberlee Ward, Town Clerk