



August 7, 2023, City Council Meeting Recap

1. Call to Order

2. Invocation- Pastor Stu Johnston from Grace Reformed Baptist Church

Mayor Hooks then recognized Barbara Hollerand, Executive Director of the Downtown Mebane Development Corporation, for the Main Street Designation and Mebane Main Street Celebration.

3. Public Comments

- Kimberley Belmonte

4. Consent Agenda was approved 5-0 by the council.

- Approval of Minutes- July 10, 2023, Regular Meeting
- Petition for Voluntary Contiguous Annexation- Hawfields Presbyterian Church, Inc.
- FY22-23 Asset Disposals January 1, 2023, to June 20, 2023

5. Public Hearings-

- Rezoning- Terry Hedgepeth- 600 E. Brown Street- R-12 to B-3 Neighborhood Business District (CD)**
Property owner Terry Hedgepeth is requesting to rezone a +/- 15,246 square foot property from an R-12 Residential District to a B-3 Business District to operate a vintage thrift store business. The proposed conditions by the applicant include no expansion to the existing structure, no new structures built, three striped parking stalls, and any changes to the driveway, parking, or landscaping would require review by city staff.
 - The council voted 5-0 to approve the B-3 (CD) zoning.
- Ordinance to Extend the Corporate Limits-Voluntary Contiguous Annexation- Elizabeth S. Woody-Montclair Subdivision**
This is a voluntary contiguous annexation of +/- 0.327 acres located in Orange County on the corner of Oakwood Street and S. Eleventh Street. The property is zoned as residential and last month the council approved the petition for annexation and certificate of sufficiency.
 - A 5-0 vote to adopt an Ordinance to Extend the Corporate Limits of the City of Mebane to include this +/- 0.327 acres.
- Ordinance to Extend the Corporate Limits-Voluntary Contiguous Annexation-Keystone-Mebane Towne Center, Ph. A2, A3, and A4**
Keystone Group Inc. is seeking a voluntary contiguous annexation of +/- 23.340 acres in Alamance County near Mebane Towne Center. During the July City Council meeting, the council accepted the petition for annexation and certificate of sufficiency. A Public Hearing was set for August 7 to consider extending Mebane's corporate limits.
 - A 5-0 vote by the council to adopt an Ordinance to Extend the Corporate Limits of the City of Mebane to include the +/- 23.340 acres.
- Rezoning- Mebane Housing LLC and Evolve Mebane Oaks LLC- R-20 and B-2 to R-8 (CD) to allow for a Planned Unit Development featuring 95 single-family residences and 294 mixed-use apartments with +/- 13,000 square feet of commercial space**
Mebane Housing, LLC and Evolve Mebane Oaks, LLC are requesting approval to rezone six properties totaling +/- 60.241 acres to allow for a Planned Unit Development featuring 95 single-family residences, +/- 13,000 square feet of commercial space, and 294 apartments.
 - Council voted 4-1 to approve the R-8(CD) zoning as presented with the offered voluntary condition of not connecting the development to existing subdivisions..
- Condemnation of 608 Giles Street**
The Mebane Inspections Department-Code Enforcement has determined that the structure on the property located at 608 Giles Street is unfit for human habitation with the property owner having not performed any work on the dwelling in months, if not years. The current structure is vacated and as it continues to deteriorate it's a fire and safety hazard concern, a potential threat to children and vagrants, a criminal activity attraction, and could cause a deterioration of the property values in the area. The repair, alteration, and /or improvement of the premises would cost an amount equal to or more than fifty percent of the present value of the building.

- A 5-0 vote allowing the Building Inspector as Code Enforcer to demolish the building after 90 days on the property located at 608 Giles Street, Mebane, NC; that the costs of such demolition and clean up assessed as a lien on the property and collected in accordance with the applicable statutes as provided for assessments; that the Inspector post the property with a placard stating “This building is unfit for human habitation and the use and occupancy of this building is prohibited and unlawful”; and that a copy of this Ordinance be recorded in the Alamance County Registry.

6. Fund Balance Policy Revision

The City Council requested a revised Fund Balance Policy be presented for consideration as the first policy was adopted six years ago in March 2017. A Fund Balance Policy defines the various designations of fund balance, describes when and how fund balance may be used, and provides guidelines for maintaining acceptable levels of fund balance. The revision recommendation is to lower the fund balance target from 50% to 33%, or four months of operating expenditures. A balance of 33% provides sufficient funds to meet day-to-day obligations, maintain the City’s credit rating, and provide for emergencies and opportunities that may arise. The minimum fund balance percentage recommended by the Local Government Commission is around eight percent or one month of operating funds.

- Council unanimously agreed to adopt the revised Fund Balance Policy.

7. Resolution- FY24 Rolling Stock Financing Approval

The FY23-24 Budget Ordinance approved by the Council on June 5 includes debt financing for the purchase of city vehicles totaling \$2,097,500. The city has received two bids for financing the purchase of rolling stock from American National Bank & Trust Company and Truist. Proposals were for 5-year bank-qualified (BQ) terms with level principal payments. American National Bank & Trust Company offered the lowest rate at 4.95% with no additional fees and payments beginning in February 2024.

- A 5-0 vote to adopt the resolution approving the issuance and financing agreement with American National Bank & Trust Company.

8. Resolution Supporting an Application to the Local Government Commission and Selection of a Lending Institution for Revenue Bonds for the Elevated Water Storage Tank

a. **Adoption of Resolution-** The City of Mebane currently has a 300,000-gallon elevated storage tank that is too small for the current water demands and to sustain fire flows. The city purchased property at 1500 S Third Street for a new water tank that will be approximately 185 feet high.

b. **Approval of Financing-** The total cost of the project is \$7,025,00 but the city was awarded \$2,652,990 in grant funding so the city needs to finance the remaining \$4,372,000 for the elevated storage tank project. Three financial institutions responded to the proposal: Capital One Public Funding, LLC, Truist Bank, and Webster Bank. Capital One Public Financing, LLC provided the lowest fixed interest rates at 4.46% locked in through closing. The 20-year term provides the most flexibility because the yearly payments are lower, and the city can prepay the loan after 8/1/2033 at face value.

- A 5-0 vote to adopt the attached resolution supporting an application to the Local Government Commission and the approval of the Capital One Public Financing, LLC financing for City revenue bonds in an estimated amount of up to \$4,372,000 at a 4.46% interest rate for 20 years.

9. Annexation Agreement- 319 Tate Avenue

BEC Enterprises, Inc. is the owner of 319 Tate Avenue and is requesting annexation into the City. The owner desires to build a house on the property and avail the property of City water and sewer services that currently serve the address. An annexation agreement has been signed by the owner and a petition for annexation, per the City’s Voluntary Annexation Policy.

- Council unanimously moved that the City accept the petition for annexation and the Annexation Agreement for the property at 319 Tate Avenue but defer annexation until the future per the City’s policy and upon recordation of the signed Annexation Agreement.

10. Resolution- New HOME Program Consortium

The Piedmont Triad Regional Council (PTRC) is forming a new HOME consortium to be known as the Eastern Piedmont NC HOME Consortium. The consortium will include five counties – Alamance, Caswell, Davidson, Randolph, and Rockingham – and will provide the opportunity for federal block grant funding to be used toward the development of affordable housing opportunities in these counties, effective July 1, 2024. By participating, the City of Mebane will have access to direct formula allocations of HOME funds to support housing activities and programs in the City limits.

- The City Council voted 5-0 to authorize the City of Mebane to enter into an agreement to join the Eastern Piedmont NC HOME Consortium.

Work on Clay Street and Fourth Street Infrastructure Project Update:

- Slip-lining work for sanitary sewer and stormwater pipes has been completed.
- Sanitary sewer manholes and stormwater drainage structures have been completed.
- Water mains have been lined, temporary water lines removed, and water service restored to all customers.
- High-Density Polyurethane Structural Resin has been installed.
- One customer on Fourth Street has advised the City of low flow.
- Staff and the contractor have attempted several options to restore full flow to the customer; however, we believe there is a blockage between the water main and the water meter.
- The contractor plans to repair the service this afternoon.
- Two water services on Clay St., in unoccupied buildings, have indicated low flow.
- Staff and contractors evaluating options to correct low flow issues.
- The contractor will perform non-destructive options first.
- If necessary, the contractor will repair/replace services to provide normal flow.
- Staff plans to walk the project in the morning to perform an assessment of pavement condition and discuss if additional pavement repairs are needed at this time and evaluate whether road resurfacing should be performed this FY or next to mill and resurface the pavement.

Announcements:

Friday, August 18, Musical Chairs in Downtown Mebane at 7:00 p.m.

Due to Labor Day, the September Council meeting will be held on Tuesday, September 5 at 6:00 p.m.

One open position is available on the Mebane Bicycle and Pedestrian Advisory Commission (BPAC). Information on how to apply is available at cityofmebanenc.gov/bpac. All applications are due by Friday, September 22.

Two open positions are available on the Racial Equity Advisory Commission (REAC). Information on how to apply is available at cityofmebanenc.gov/reac. All applications are due by Friday, September 15.

Saturday, October 7, is AutumnFest hosted by Destination Downtown starting at 10:00 a.m.

Council members Sean Ewing and Katie Burkholder attended the Junior Police Academy Graduation on Friday, July 28.

11. Adjournment

Kelly Hunter
Public Information Officer

Please see the attached PowerPoint presentation from the City Council meeting for more information.