

CAROLINA BEACH

Town Council Special Meeting

Tuesday, August 4, 2026 - 6:00 PM

Town Hall Multipurpose Room, 1121 N. Lake Park Boulevard,
Carolina Beach, NC



MINUTES

CALL TO ORDER

Mayor Barbee called the meeting to order at 6:00 PM.

PRESENT

Mayor Lynn Barbee
Mayor Pro Tem Deb LeCompte
Council Member Jay Healy
Council Member Wayne Rouse
Council Member Vince Losito

ALSO PRESENT

Town Manager Bruce Oakley
Deputy Town Manager Ed Parvin
Finance Director Debbie Hall
Town Clerk Kim Ward
Town Attorney Noel Fox

ITEMS OF BUSINESS

1. Discuss a Zoning Map Amendment and Text Amendment to Article 3 of the Unified Development Ordinance to Rezone 204 Cape Fear Boulevard, 206-217 Cape Fear Boulevard, and 3 South Third Street from Mixed Use (MX) to a New Zoning District Called Commercial Transition (CT)

Mayor Barbee opened the meeting by clarifying the purpose of the joint session. He said Council had not yet formally heard the matter, and no public input would be taken this evening. A public hearing before Council was scheduled for the following Tuesday. Mayor Barbee emphasized the goal was not to reach consensus but to allow Council to understand the Planning and Zoning Commission's concerns. The Commission discussed the matter in July but tabled it without making a recommendation.

Community Development Director Jeremy Hardison presented a review of the proposal. He reviewed existing conditions in the area – including three single-family residences, four vacant lots, a parking lot, two retail uses, and a hotel – and noted its pedestrian-friendly character with on-street parking, wide sidewalks, and street trees.

Mr. Hardison highlighted that the area is classified in the Land Use Plan for higher-density, mixed-use development with buildings oriented toward the street, potential heights of four to five stories, and a pedestrian-oriented environment. He confirmed that, of the non-vacant properties in the area, only one was currently conforming under existing Mixed Use (MX) standards.

Mr. Hardison reviewed the timeline: Property owners were consulted in May with no negative feedback received, the matter was brought to the Commission in July, and the joint meeting was being held to address the Commission's concerns prior to Council's public hearing.

He described the proposed Commercial Transition (CT) district standards. Key elements included reducing the front setback from 20 feet to approximately 5-10 feet to encourage buildings closer to the street and promote active ground-floor uses, side setbacks of 0-5 feet to encourage connected storefronts, no change to the rear setback, an increase in lot coverage from 40% to 60% to align with other commercial districts, a density of 20 units per acre as a mid-range figure, parking located to the rear of buildings, and a narrowing of permitted driveway widths to reduce the loss of on-street public parking spaces. Mr. Hardison noted that parking requirements – unlike in the Central Business District (CBD) – would not be waived, and building height would be capped rather than subject to conditional approval.

He presented a comparison between the proposed CT district and the CBD, noting that CT would retain minimum lot sizes, impose setback requirements, cap building height at three to four stories, and maintain a 65% impervious surface limit – all restrictions absent in the CBD. Mr. Hardison stated the two primary drivers of rezoning requests to the CBD are typically height and parking and that the CT proposal would not change either relative to MX.

Commission Chairman Jeff Hogan noted that the Commission had not previously dealt with upzoning an entire area, so Commissioners felt they needed more time to deliberate. He acknowledged that at 29 units per acre, the existing Russo's Motel already exceeded the proposed density, and that approval of the CT district would bring 8 of 10 lots into conformance – a stated goal of the Land Use Plan. Chairman Hogan expressed support for requiring pervious surfaces or stormwater retention if lot coverage were increased beyond 65% so as not to push additional runoff onto neighboring properties.

Commissioner Melanie Boswell said she felt this decision was being rushed and expressed concern that the rezoning would primarily benefit one property owner or future buyer rather than the broader community. She questioned whether residents on Third Street would welcome the potential for more intensive commercial development adjacent to their properties.

Commissioner Ethan Crouch cited concerns about the growth of high-density commercial spaces creeping further into residential areas and cautioned that once this change is made, downzoning would not be possible. He said his intention is to preserve the character of the Town and do what residents want.

Commissioner Todd Piper acknowledged the area was visually unappealing and served as a poor gateway to downtown. He presented AI-generated renderings illustrating the difference in street presence between a building set 22 feet from the street versus one set 12 feet from the street, noting

that a smaller setback could create a canyon effect. Commissioner Piper expressed concern that approving the new district by right would eliminate the Town's bargaining leverage, comparing it unfavorably to Conditional Zoning (CZ) processes used in prior projects where the Town negotiated concessions such as increased green space or stormwater improvements in exchange for reduced setbacks or increased height. He suggested the Town consider incentives such as reduced permit fees, stormwater assistance, or tax reductions to encourage redevelopment rather than simply loosening standards outright.

Mayor Barbee summarized the discussion by asking whether the Commission wants to preserve the by-right standards of MX while allowing for CZ as a pathway to additional flexibility for CT. Commissioner Piper said the preference is to retain the MX district with the possibility of CZ.

Council Members thanked Commissioners for the discussion on this matter and excused them from the remainder of the meeting.

2. Appropriate Funds for Purchase of R08809-003-002-000

The Town agreed to purchase the property located at 1301 Bridge Barrier Road parcel R08809-003-002-000 for \$935,000 at Council's July 21 special meeting. Mr. Oakley presented the details about the necessary approval of the budget appropriation to move forward.

ACTION: Motion to appropriate \$995,000 to account 30-800-074 W&S Admin Capital Over \$10,000 from the Utility Fund fund balance for the purchase of the parcel plus property tax, closing cost, site clearing, grading, and perimeter fence

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Rouse, Council Member Losito

Motion passed unanimously

CLOSED SESSION

3. Closed Session to Discuss a Real Estate Matter Pursuant to NCGS 143-318.11(a)(5)

ACTION: Motion to enter a closed session to discuss a real estate matter pursuant to NCGS 143-318.11(a)(5)

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Rouse, Council Member Losito

Motion passed unanimously

Mayor Barbee called the meeting back to order.

Mayor Barbee made a motion to return from closed session. Motion passed unanimously.

Mayor Barbee made a motion to allow the Town Manager to enter into a contract for the purchase of 804 Charlotte Avenue from Christopher and Meredith Canuel for \$475,000. Motion passed unanimously.

ADJOURNMENT

Mayor Barbee adjourned the meeting at 7:00 PM.