

JACKSONVILLE CITY COUNCIL
SPECIAL WORKSHOP MEETING
PROPOSED AGENDA

May 4, 2026

5:30 PM

CALL TO ORDER

ADOPTION OF PROPOSED AGENDA

ADOPTION OF MINUTES AND CONSENT ITEMS

MINUTES – April 21, 2026 Regular Meeting

CONSENT ITEMS

1. General Legislative Budget Amendment
2. Tax Releases, Refunds, and Write-offs – February 2026
3. Request to Waive Penalties for Jacksonville Occupancy Tax
4. Onslow County Social Services Annex - Building Inspections Interlocal Agreement

DISCUSSION ITEMS (ACTION MAY OR MAY NOT BE TAKEN)

5. FY27 Budget Discussion
6. House Bill 1038 Discussion
7. Street Trees Discussion

CLOSED SESSION

For the purpose of discussing land acquisition, pursuant to General Statute 143-318.11, subsection (a-5) and for the purpose of consulting with an attorney employed or retained by the public body in order to preserve the attorney-client privilege, pursuant to General Statute 143-318.11, subsection (a-3), in regards to legal matters including the lawsuit captioned, *Jeffery Jones v. City of Jacksonville*.

ONE CITY, OUR CITY, MY CITY MOMENT

ADJOURNMENT

COUNCIL MINUTES

REGULAR MEETING

April 21, 2026

A Regular Meeting of the City Council of the City of Jacksonville was held Tuesday, April 21, 2026, beginning at 5:30 PM in the Council Chambers of City Hall. Present were: Mayor Sammy Phillips, presiding; Mayor Pro Tem Cindy Edwards, Council Members: Mickey Smith, Logan Sosa, Dr. Angelia Washington, and Jerome Willingham. Absent was Council Member Michael Yaniero. Also present were: Joshua Ray, City Manager; Ronald Massey, Deputy City Manager; Lorna Welch, City Attorney; and Rose Marshburn, City Clerk.

*A video of the Council Meeting is presently available for review on the City's website.

CALL TO ORDER

Mayor Sammy Phillips called the meeting to order at 5:36 PM.

PLEDGE OF ALLEGIANCE

Councilwoman Smith led the Pledge of Allegiance.

INVOCATION

Mr. Ray pronounced the invocation.

ADOPTION OF AGENDA

A motion was made by Councilwoman Dr. Washington, seconded by Councilwoman Smith, and unanimously approved to adopt the agenda as presented.

PUBLIC COMMENT

There was no one present desiring to speak at this public comment section.

ADOPTION OF MINUTES AND CONSENT ITEMS

A motion was made by Mayor Pro Tem Edwards, seconded by Councilman Sosa, and unanimously approved to adopt the minutes of the April 7, 2026 Workshop Meeting and the Consent items as presented.

CONSENT ITEMS

GENERAL LEGISLATIVE BUDGET AMENDMENT

Budget amendment requests had been submitted since the last legislative budget amendment. This budget amendment reduced the General Fund appropriated fund balance by \$299,714.

Council approved the Budget Amendment.

Ordinance 2026-23, Bk. 14, Pg. 578

FY 2025 BJA COMPREHENSIVE OPIOID, STIMULANT, AND SUBSTANCE USE,
SITE-BASED PROGRAM (COSSUP)

The Jacksonville Police Department received notification of a FY25 Bureau of Justice Assistance (BJA) Comprehensive Opioid, Stimulant, and Substance Use, Site-Based Program (COSSUP) Grant to support the development, implementation, or expansion of comprehensive programs in response to overdose deaths, illicit opioids, stimulants, and other substances. Based on our agency's current COSSUP grant scope, which included training, supplies, and acute treatment in relation to substance abuse prevention and rehabilitation, staff requested to continue these programmatic aspects of the grant by applying for a new funding cycle that would allow for sustainability of current initiatives.

This application would provide \$50,000 in COSSUP funding to support already established initiatives under our current program. There was no local match required for this grant. Council authorized staff to apply for the grant and if awarded, staff would return to Council for acceptance.

NCDOT OFFER TO PURCHASE CITY PROPERTY FOR U-5728

NCDOT was planning to make roadway improvements at the intersection of Marine Boulevard at Bell Fork Road and Gum Branch Road – commonly referred to as U-5728. The project was intended to improve safety and reduce congestion by adding new travel lanes at each approach.

U-5728 was scheduled to begin construction in Fiscal Year 2026. To construct U-5728, NCDOT must acquire an additional permanent utility easement. NCDOT offered an appraised value of \$2,575 as compensation for the easement. Council approved the sale of easement and authorized the Mayor to sign the Permanent Utility Easement agreement and the Resolution for Conveyance.

Resolution 2026-10, Bk. 7, Pg. 561

NCDOT OFFER TO PURCHASE CITY PROPERTY FOR U-5950

NCDOT was planning to make roadway improvements at the intersection of Marine Boulevard at Henderson Drive – commonly referred to as U-5950. The project was intended to improve safety, drainage, and provide pedestrian accommodation. U-5950 was scheduled to begin

construction in Fiscal Year 2027.

To construct U-5950, NCDOT must acquire a permanent utility easement. NCDOT offered an appraised value of \$2,900 as compensation for the easement.

Council approved the sale of the utility easement and authorized the Mayor to sign the Permanent Utility Easement and the Resolution for Conveyance.

Resolution 2026-11, Bk. 7, Pg. 562

LICENSE AGREEMENT MODIFICATION – COMMONS WATER TANK

The City of Jacksonville and Verizon Wireless entered into agreement to allow the placement of cellular antennas and associated equipment at the Commons Water Tank site. Verizon Wireless requested permission to extend the licensing agreement for an additional 7-year term at the current rate, with a three percent annual license fee increase. All other terms and conditions would remain the same.

Council approved the extension of the license agreement and authorized the City Manager or his representative to execute the agreement.

CODE AMENDMENT – CHAPTER 2 – ADMINISTRATION – CITY COUNCIL
MEETING SCHEDULE

At the March 18, 2025, Regular Meeting, City Council approved a revision to the Council Rules of Procedure, setting out a detailed meeting schedule reflecting current meeting practices. Under this schedule, Council meets in Regular Workshop session on the first Tuesday, following the first Monday, of the month at 5:30 PM. The Regular City Council meeting is held at 5:30 PM on the third Tuesday, following the first Monday of the month.

Chapter 2 of the City Code contained language regarding meeting dates and times which conflicted with the adopted Council Rules of Procedure.

The proposed Code Amendment would give flexibility for the application of the Council Rules of Procedure, removing certain sections that dictated Council's meeting schedule from Chapter 2 – Administration, Article II. – City Council, Sec. 2-19 – Meetings – Regular.

Council adopted the Ordinance amending the City Code as presented.
Ordinance 2026-24, Bk.14, Pg. 579

REVISION TO THE RULES OF PROCEDURE FOR CITY COUNCIL

In addition to the proposed Code Amendment to the City Council’s regular meeting schedule in Chapter 2 – Administration, Article II – City Council, Sec. 2-19 – Meetings – Regular, staff recommended an update to the City Council’s Rules of Procedure. This revision would add language regarding Council formally adopting its annual meeting schedule each calendar year.

Council approved the revision to the Rules of Procedure for City Council.

CODE AMENDMENT – CHAPTER 10 – INTOXICATING LIQUORS – AN
ORDINANCE ALLOWING THE SALE OF ALCOHOLIC BEVERAGES BEFORE
NOON ON SUNDAYS AT LICENSED PREMISES

At the City Council Regular Meeting on August 22, 2017, Council approved an Ordinance to allow the sale of alcoholic beverages before noon on Sundays at licensed premises, pursuant to authority granted to local governing bodies by North Carolina S.L. 2017-87. However, the Ordinance approved by Council on that date did not contain the language required to amend the City Code.

Staff requested that Council adopt an Ordinance to amend Chapter 10 – Intoxicating Liquors, Sec. 10-2 - Reserved, to reflect what Council adopted at its August 22, 2017, Regular Meeting and to be codified in Chapter 10 of Jacksonville’s City Code as an Ordinance “Allowing the Sale of Alcoholic Beverages Before Noon on Sundays at Licensed Premises.”

Council adopted the Ordinance amending the City Code as presented.

Ordinance 2026-25, Bk. 14, Pg. 580

REMNANT DEFENDANT OPIOID SETTLEMENT AUTHORIZATION

The City of Jacksonville was a plaintiff in national opioid litigation. Outside opioid counsel for the City had negotiated a Settlement Agreement to resolve claims against certain opioid-related defendants, otherwise known as the Six (6) Remnant Defendants. Authorization was needed for the City of Jacksonville to execute a participation and release form for the City’s participation in the Settlement Agreement.

Council approved the Resolution Authorizing Participation in the Remnant Defendant Opioid Settlement Agreement.

Resolution 2026-12, Bk. 7, Pg. 563

PUBLIC HEARINGS (LEGISLATIVE)

PROPOSED FISCAL YEAR 2026/2027 BUDGET

Joshua Ray, City Manager, provided a detailed overview of the PowerPoint Presentation herein attached as Exhibit A. Per North Carolina General Statute (NCGS) § 159-13, the City Council was required to conduct a Public Hearing to receive public comment on the proposed budget prior to budget adoption. Additionally, the Council was required to adopt a balanced operating budget for FY27 by June 30, 2026.

A copy of the proposed budget was delivered to Jacksonville City Council on April 7, 2026. The proposed budget has been available for public inspection in the City Clerk's Office since April 7, 2026, as well as the Onslow County Public Library, and the City's website. The Public Hearing and the Public Notice of Budget Availability had been duly advertised in the Jacksonville Daily News.

Highlights of the Budget included: \$134,342,890 Total Budget (6% reduction from the FY26 Adopted Budget); \$0.60 Ad Valorem Tax Rate; Priority Investment in Employees; \$34.46 Million for Public Safety; Water & Sewer Rate Increase of 1% and Sanitation Commercial/Business Rate Increase Due to Proposed Increase in Onslow County Landfill Charges.

General Fund total revenues were projected at \$71,472,113 for the upcoming fiscal year. The primary revenue sources included ad valorem tax revenue of \$39,504,161 and sales tax revenue of \$17,390,391. Fees for services, Powell Bill, and Investment Earning completed the revenues.

Mr. Ray provided an overview of the recent property revaluation conducted by Onslow County. NCGS required counties to conduct property revaluations at least every eight years, though counties could choose their own schedules. Onslow County elected to complete revaluations every four years and was currently in that process. Property owners should have received updated tax information and would have the opportunity to appeal valuations through the County's established review system. The County evaluated properties using sales data and regional factors to determine updated values, which were then applied to the City's tax rate to calculate tax bills.

Countywide property values had increased by approximately 35 to 40 percent, with no specific area experiencing disproportionate changes. The state had determined the revaluation process to be fair and uniformly applied, with an emphasis on equity and transparency. Taxpayers who believed their assessments were inaccurate were encouraged to use the formal appeals process, which followed an earlier informal online review period and would conclude in May.

Mr. Ray provided examples that demonstrated how increases in property value affected tax bills; for instance, a home previously valued at \$100,000 with a 30 percent increase would result in an approximate \$15 monthly increase in City taxes, with proportionally higher increases for more valuable properties. He also provided a detailed review of the increase in value over the last four years, noting that the median assessed value rose from \$215,000 in 2022 to a median assessed value of \$295,000 in the latest revaluation, reflecting a 37 percent increase. The County's median sales ratio stood at 73 percent, indicating that assessed values were currently below full market value. At the median level, a property's annual City tax would rise from approximately \$1,295 to \$1,770, equating to approximately \$40 per month increase.

Comparisons with similar municipalities highlighted differences in tax base and revenue capacity. Cities such as Fayetteville and Wilmington had larger populations and tax bases, while Greenville, Gastonia, and Hickory fell within a more comparable range. However, even among similar-sized cities, differences were substantial; for example, Gastonia's property tax base was roughly three times larger than Jacksonville's, meaning each cent on its tax rate generated significantly more revenue. These disparities highlighted that tax rate comparisons across municipalities were not directly equivalent.

Mr. Ray reviewed major project-related expenses and their effects on the tax rate. He stated that the Uptown Jacksonville Project carried an estimated annual debt service of about \$4,000,000, equating to roughly 6.44 cents on the tax rate. Potential adjustments to the County Fire Tax could decrease City revenues by approximately \$1,000,000, or 2.26 cents. He further noted that \$2,000,000 in employee benefit costs, intended to keep compensation competitive, represented about 3.22 cents, while renovations to Fire Station 3 would add approximately \$400,000, or 0.64 cents. In addition, sustaining a previously approved fund balance appropriation of around \$3,000,000 would require an estimated 4.9 cents on the tax rate. Altogether, these items accounted for an overall impact of approximately 17.46 cents on the tax rate.

Further details were provided on the multi-phase Uptown Jacksonville Project. Phase One, utility infrastructure, was estimated at \$2,300,000, followed by roadway improvements of approximately \$5,000,000. A proposed multi-use facility was estimated to cost approximately \$60,000,000, with annual debt service of \$4,000,000. Additional components included rectangular fields estimated at \$20,000,000, with annual debt service of roughly \$1,300,000, and a future amphitheater, for which costs had not yet been determined. These investments were intended to expand the tax base and enhance services for residents.

Next steps included two budget discussions to be held at the May 4 and May 19 Council Meetings, with Council scheduled to consider adoption of the FY27 Proposed Budget at the Regular Council Meeting on May 19, 2026.

Mayor Pro Tem Edwards stated that the May 4 Council Workshop Meeting would be an opportunity to review and discuss the tax rate, including possible adjustments. She emphasized that Council was aware of rising property values and resident concerns, noted the varying impact on taxpayers, and confirmed that the City was considering options and had not yet finalized the tax rate. Councilwoman Smith also encouraged continued public input, stating that emails and feedback from residents were welcomed and carefully reviewed. She emphasized that community input helped inform the decision-making process and broadened the overall discussion as the budget and tax rate were considered.

Mayor Phillips recessed the regular meeting at 5:54 PM in order to convene the Public Hearing.

With no one desiring to speak, Mayor Phillips closed the Public Hearing at 5:55 PM and reconvened the regular meeting.

**MAP AMENDMENT – ZONING MAP AMENDMENT – LEJEUNE BOULEVARD-
REZONING FROM RESIDENTIAL SINGLE-FAMILY 7 (RSF-7) TO CORRIDOR
COMMERCIAL (CC)**

As shown in Exhibit A, Ryan King, Planning and Inspections Director, stated that Charles F. Riggs & Associates, on behalf of Extivita, LLC submitted a request to rezone a 0.356-acre parcel of land located on Lejeune Boulevard adjacent to 901 Hargett Street, Tax Map ID#: 427-23. The property was currently zoned Residential Single-Family 7 (RSF-7), and the request was to rezone it to Corridor Commercial (CC). The parcel was developed as, and had historically been used as,

a parking lot to serve 901 Hargett Street.

Mr. King stated that notice of the Public Hearing was posted on the property site, placed in the Jacksonville Daily News newspaper, and mailed to adjoining property owners in accordance with NCGS. The Planning Advisory Board (PAB) reviewed the request at its regular meeting on April 13, 2026, and recommended approval.

Discussion was held regarding the effectiveness of current public notice signage and overall communication methods for Public Hearings. Council Members expressed concerns about the visibility and readability of signs, particularly for passing drivers, and questioned whether current outreach efforts adequately informed residents. Mr. King stated that notification requirements were being met through newspaper postings and mailed notices to adjacent property owners, as required by NCGS, but acknowledged that additional methods such as social media or digital advertising could be explored. Council Members noted that current approaches might not reach all affected individuals and suggested reviewing the City's current practices in comparison to other municipalities in hopes of modernizing communication strategies, including greater use of targeted digital platforms.

Mayor Phillips recessed the regular meeting at 6:04 PM in order to convene the Public Hearing.

Charles Riggs, 502 New Bridge Street, stated that his clients intended to renovate and modify the existing building. He stated that Wachovia Bank and Trust purchased the property in 1972 and later constructed the building and parking lot in 1980. Mr. Riggs emphasized that the parking lot had remained in place and in use for approximately 46 years, supporting the position that the property had functioned commercially for decades. Based on this long-standing commercial use, he expressed the belief that requesting a commercial corridor zoning designation was justified.

Mayor Phillips closed the Public Hearing at 6:05 PM and reconvened the regular meeting.

A motion was made by Councilwoman Dr. Washington, seconded by Councilman Sosa, and unanimously approved the rezoning request based on Findings of Facts A through J being found in the affirmative. The proposed map amendment was reasonable and consistent with the CAMA Land Use Plan.

Ordinance 2026-26, Bk. 14, Pg. 581

MAP AMENDMENT – ZONING MAP AMENDMENT – PADRICK PROPERTY –
REZONING FROM CONSERVATION (CON-ONSLow COUNTY)
RESIDENTIAL SINGLE-FAMILY 5 (RSF-5)

Referring to Exhibit A, Mr. King, stated that Kimley-Horn, on behalf of the Padrick Trustees, submitted a request to rezone a 167.64-acre parcel of land recently annexed and located at the end of Williamsburg Parkway adjacent to the proposed Thornwood development, Tax Map ID#:330-13.

The property was currently zoned Conservation (CON) under Onslow County, and the request was to rezone it to Residential Single-Family 5 (RSF-5).

Mr. King stated that notice of the Public Hearing was posted on the property site, placed in the Jacksonville Daily News newspaper, and mailed to adjoining property owners in accordance with NCGS. The PAB reviewed the request at its regular meeting on April 13, 2026, and recommended approval.

Mayor Phillips asked whether any individuals from the affected area were present at the PAB Meeting. Mr. King stated that no affected individuals were in attendance. However, he noted that the applicants had conducted a neighborhood meeting several months prior, which, while optional, served as an opportunity to provide information to nearby residents. Details of that meeting were included in the meeting packet, and additional notifications were carried out in connection with that effort. Mr. King stated that although PAB Meetings were open to the public, there was no requirement to formally advertise them. Items for consideration at Regular Council Meetings were advertised.

Councilwoman Dr. Washington clarified that although the PAB Meetings were not required to be advertised, they were regularly listed on the City of Jacksonville's Annual Calendar. Mr. King said yes.

Mayor Phillips recessed the regular meeting at 6:10 PM in order to convene the Public Hearing.

Brock Pfister, 1070 South Main Street, Holly Springs, NC, stated that he was a representative of Kimley-Horn and was available for any questions.

Mayor Phillips closed the Public Hearing at 6:11 PM and reconvened the regular meeting.

A motion was made by Mayor Pro Tem Edwards, seconded by Councilwoman Smith, and unanimously approved the rezoning request based on Findings of Facts A through J being found in the affirmative. and directed staff to amend the CAMA Future Land Use Map. The proposed map amendment was reasonable and would be consistent with the CAMA Land Use Plan once amended.

Ordinance 2026-27, Bk. 14, Pg. 582

CLOSED SESSION

A motion was made by Councilwoman Dr. Washington, seconded by Councilwoman Smith, and unanimously adopted to recess the Regular Meeting to convene a Closed Session for the purpose of discussing land acquisition, pursuant to General Statute 143-318.11, subsection (a-5)(I).

Mayor Phillips, reconvened the Regular Meeting at 7:14 PM, and announced that no further action had been taken in Closed Session.

REPORTS

VIETNAM VETERANS' RECOGNITION

Mayor Pro Tem Edwards stated that the Vietnam Veterans Recognition Ceremony would take place at the Lejeune Memorial Gardens on Saturday, April 25, 2026 at 10 AM and invited the public to attend.

UNIFIED DEVELOPMENT ORDINANCE REVIEW

Mayor Pro Tem Edwards encouraged Council to consider a thorough review of the Unified Development Ordinance (UDO). She emphasized that changes in State Laws could affect what could be included in the UDO, and a full review would help reduce liability, clarify confusing or redundant provisions, and better serve the community, though the process would be time-consuming.

MILITARY CHILD OF THE YEAR

The City served as the host for the North Carolina Military Child of the Year Semifinalist Recognition Ceremony on Friday, April 17, 2026, marking the fifth year the City held this ceremony. Councilwoman Dr. Washington stated that the program, created by Operation Homefront, focused on selecting Military Children of the Year, representing each branch of the

armed services, including the National Guard. This year, 68 semifinalists competed for the honor, with North Carolina represented by seven candidates: Hannah Kirksey, Virginia Burke and Daniel Prane of the Marine Corps; Victoria Vanacore of the Coast Guard; Natalie Perez and Kinsey Robinson of the Army; and Genesis Hall of the National Guard. From these semifinalists, Hannah Kirksey was named Military Child of the Year representing the Marine Corps, and Victoria Vanacore was named Military Child of the Year representing the Coast Guard.

DELTA SIGMA THETA MENTAL HEALTH SYMPOSIUM

Councilwoman Dr. Washington stated that she recently attended a mental health symposium hosted by Delta Sigma Theta Sorority. The event addressed a range of mental health challenges affecting individuals, including childhood trauma, domestic violence, workplace toxicity, divorce, and financial stress. The symposium provided an empowering and informative discussion for the community, highlighting the importance of awareness and support around mental health issues.

ACKNOWLEDGMENTS

Councilwoman Smith gave several acknowledgments for events and individuals.

She expressed appreciation for the opportunity to participate in sessions with both the North Carolina League of Municipalities and the National League of Cities. These engagements provided valuable insight at both the state and federal levels on issues affecting municipalities, and she expressed her gratitude to the City for the opportunity to represent the City at these events.

Councilwoman Smith recognized Senator Michael Lazzara for his presence and accessibility during the Divine Nine Legislative Day held on April 8. She stated that additional conversations were held with Congressman Greg Murphy and Senator Thom Tillis, highlighting the value of those interactions.

She gave a special acknowledgment for Ward 2, including recognition of Dr. Dolores Perry of Bethel Word Church on the occasion of her 75th birthday. She was commended as an exemplary figure in professionalism and community service, particularly through the church's food pantry ministry, with her birthday celebrated throughout the month of April.

Further recognition was given to retired U.S. Marine Corps Major James Capers Jr., following legislation signed by President Donald Trump authorizing the awarding of the Medal of Honor for his heroism during the Vietnam War.

ARBOR DAY

Councilwoman Smith stated Arbor Day would take place Friday, April 24, 2026 at Jacksonville Commons Elementary School at 9 AM. She encouraged the public to attend and participate in tree planting activities with students.

SELLER IMPERSONATION FRAUD

The Jacksonville Board of Realtors hosted a community meeting with members of the Jacksonville Police Department (JPD) in attendance. Councilwoman Smith expressed gratitude to JPD for sharing helpful information during the meeting. A key issue highlighted was the growing concern of seller impersonation fraud, in which individuals falsely posed as property owners to sell land they did not own.

NOMINATING COMMITTEE FOR NCLM 2026 OFFICER SLATE

Mayor Phillips stated that he had the opportunity to travel to Raleigh to serve on the Nominating Committee for the 2026 Slate of Candidates for the North Carolina League of Municipalities (NCLM) Board of Directors. Approximately twelve committee members participated in the process, conducting interviews with candidates who had expressed interest in leadership roles. He said the outcome of the interviews was a selection of strong and diverse candidates, expected to provide effective leadership for the organization in the coming year.

ONE CITY, OUR CITY, MY CITY

Mr. Ray stated that the North Carolina General Assembly had begun its short session, as the session was currently scheduled to continue through July, but could be extended to complete legislative business. He encouraged anyone needing to meet with legislators in Raleigh to coordinate through staff for supporting information or documentation, particularly in connection with ongoing work alongside the North Carolina League of Municipalities.

Pamela McIntosh, Executive Assistant to the City Manager, reached 32 years of service with the City of Jacksonville on the day of the meeting. Mr. Ray acknowledged her long-standing contributions to the City.

Mr. Ray acknowledged Councilwoman Dr. Washington for her leadership and continued role in bringing the Military Child of the Year Semifinalist Recognition Ceremony to Jacksonville for more than five years. The City's role as a military host community was emphasized, along with appreciation for continuing to support the program each year. The initiative, coordinated through

Operation Homefront, honored military-connected youth and provided each finalist with a \$10,000 grant, a laptop computer, and additional resources. The ceremony featured several speakers, including representatives from Secretary Jocelyn Mallette's team, U.S. Marine Corps leadership, and local clergy, contributing to a well-rounded program recognizing the youth finalists and semifinalists. Additional statistics were shared underscoring the experiences of the honorees, including frequent relocations, extensive volunteer service, and prolonged family deployments. The significance of honoring these experiences locally was emphasized as an important part of Jacksonville's identity as a military host City.

Earth Day, hosted by Sturgeon City, took place Saturday, April 18, 2026. The event was a family-oriented celebration featuring educational activities, food, Science, Technology, Engineering, and Mathematics (STEM) focused engagement, drawing strong community participation and reinforcing environmental awareness and education efforts.

The City's Movie in the Park Series had begun, launching with a family screening featuring the movie *School of Rock*. The program, held on the third Friday of each month and open to the public at no cost, would continue with the next showing scheduled for May 15 featuring *Paddington in Peru*. Mr. Ray stated that this event was another example of the City Council providing recreational programming designed to bring families together and enhance community life in the City.

ADJOURNMENT

A motion was made by Mayor Pro Tem Edwards seconded by Councilwoman Smith, and unanimously adopted to adjourn the meeting at 7:15 PM.

Exhibit "A"

Jacksonville City Council



**Regular Meeting
April 21, 2026**


Legislative Public Hearing

**Proposed Fiscal Year 2026/2027
Budget**

Agenda Item 10

FY27 Proposed Budget

- North Carolina General Statutes (NCGS) § 159-13 Requires Adoption of a Balanced Budget for the Upcoming Fiscal Year by June 30, 2026
- Fiscal Year: July 1, 2026 - June 30, 2027



FY27 Budget Schedule

Date	Items
October 13, 2025	Council Post Budget Retreat
February 16, 2026	Council Vision Planning Retreat
April 7, 2026	Council Presentation of FY26/27 Proposed Budget
April 7, 2026	Budget Posted on Website and Hard Copies Available for Review at Public Library and City Clerk's Office
April 21, 2026	Public Hearing
May 4, 2026	Council Discussion and Review
May 19, 2026	Council to Consider Adoption of FY26/27 Proposed Budget


Budget Highlights

- Total Budget - \$134,342,890
- \$0.60 Ad Valorem Tax Rate
- Priority Investment in Employees
- Uptown Jacksonville Investment
- \$34.46 Million for Public Safety
- Change in Business Practices
- Water & Sewer Rate Increase of 1%
- Sanitation Commercial/Business Rate Increase Due to Increase in Onslow County Landfill Charges



General Fund (GF)

	Amount
Ad Valorem Tax	\$39,504,161
Sales Tax	\$17,390,391
Fees for Services	\$2,324,911
Powell Bill (Restricted for Streets)	\$2,185,938
Investment Earnings	\$1,083,822
Total Revenues	\$71,472,113



Total Expenditures by Fund

Expenditures	FY26 Amended	FY27 Proposed
General Fund	\$64,965,205	\$71,472,113
Water & Sewer Fund	\$36,775,193	\$34,020,846
Solid Waste Fund	\$11,870,910	\$10,392,218
Stormwater Fund	\$4,560,153	\$5,200,102
Capital Projects, Grants, etc.	\$21,905,017	\$13,257,611
Total	\$143,881,282	\$134,342,890



Property Tax Revaluation

What is Property Revaluation?

- NCGS requires that all property, real and personal, be valued at market or retail value.
- Since personal property is valued at market value every year, periodic revaluations of real property are necessary to minimize inequities in the tax base over time.
- The revaluation serves to level the playing field and equalize the tax burden according to market value.



NCGS 105-286

- North Carolina General Statutes require that all NC counties reappraise real properties at least once every eight years.
- The statutes also provide that counties may revalue on a more frequent basis upon adoption of a resolution by the County Board of Commissioners.



Onslow County Revaluations

- The Onslow County Board of Commissioners adopted a resolution in 2001 requiring the County to conduct a revaluation effective January 1, 2006, and every four years thereafter.
- Onslow County is currently in the process of completing the property revaluation for 2026.



Key Information

- Property Values have increased 35-40% countywide since 2022
- Growth has been consistent across all areas, no isolated spikes or inequities
- The Schedule of Values ensures fair, uniform application of those changes
- The goal of the Assessor's Office is equity and transparency



Understanding the Market Increase

Median Sales Ratio	=	73%
Median Assessed Value (2022)	=	\$215,878
Median Sales Price (2025)	=	\$295,000
Market Increase	=	37%



Property Tax Analysis

Current Valuation	30% Reval
\$100,000	\$130,000
\$200,000	\$260,000
\$300,000	\$390,000
\$400,000	\$520,000
\$500,000	\$650,000



\$100,000 Valuation				
Reval %	New Value	Tax Rate	Annual Tax Increase	Monthly Increase
30% Reval	\$130,000	\$0.60	\$180	\$15

\$200,000 Current Valuation				
Reval %	New Value	Tax Rate	Annual Tax Increase	Monthly Increase
30% Reval	\$260,000	\$0.60	\$360	\$30

\$300,000 Current Valuation				
Reval %	New Value	Tax Rate	Annual Tax Increase	Monthly Increase
30% Reval	\$390,000	\$0.60	\$540	\$45



\$400,000 Current Valuation				
Reval %	New Value	Tax Rate	Annual Tax Increase	Monthly Increase
30% Reval	\$520,000	\$0.60	\$720	\$60

\$500,000 Current Valuation				
Reval %	New Value	Tax Rate	Annual Tax Increase	Monthly Increase
30% Reval	\$650,000	\$0.60	\$900	\$75



Median Assessed Value

2022 Median Assessed Value		
Value	Tax Rate	Annual Property Tax
\$215,878	\$0.60	\$1,295

2026 Median Assessed Value				
Reval %	New Value	Tax Rate	Annual Property Tax	Monthly Increase
37% Reval	\$295,000	\$0.60	\$1,770	\$40



FY26 Comparison

City	Population	Property Tax Base	One Penny on Tax Rate
Fayetteville	211,756	\$21,822,000,000	\$2,182,200
Wilmington	126,256	\$35,302,660,000	\$3,530,266
Greenville	96,899	\$11,610,927,757	\$1,161,093
Gastonia	85,636	\$11,269,836,902	\$1,126,984
Jacksonville	73,494	\$4,275,500,000	\$427,550
Hickory	46,024	\$8,517,920,401	\$851,792



Cost of Services

Expense	Project Cost	Tax Rate Impact
Uptown Jacksonville Debt Payment	\$4,000,000	6.44 cents
Onslow County Fire Tax	\$1,400,000	2.26 cents
Employee Benefits	\$2,000,000	3.22 cents
Fire Station #3 Reno Debt Payment	\$ 400,000	.64 cents
Fund Balance Appropriation	\$3,039,628	4.90 cents
Total Impact		17.46 cents



Uptown Jacksonville

Uptown Jacksonville Phases

Phase	Cost Estimate	Annual Debt Service	Pennies on the Tax Rate
1 – Utility Infrastructure	\$2,300,000	-	\$0.0371
2 – Roadway Improvements	\$5,000,000	-	\$0.0806
3 – Multiuse Facility	\$60,000,000	\$4,000,000	\$0.0645
4 – Rectangular Fields	\$20,000,000	\$1,340,000	\$0.0216
5 – Amphitheater	TBD	TBD	TBD



Next Steps

Date	Items
May 4, 2026	Council Discussion and Review
May 19, 2026	Council to Consider Adoption of FY26/27 Proposed Budget



Legislative Public Hearing

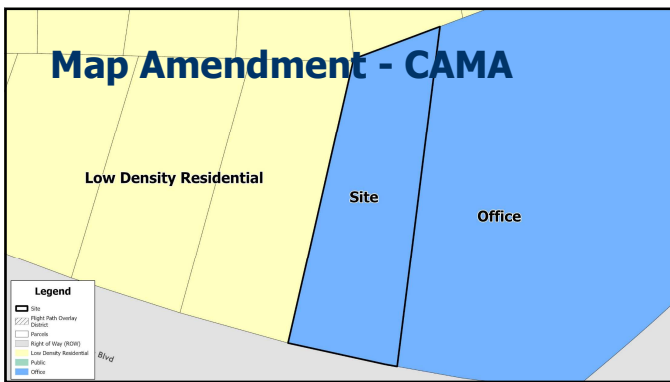
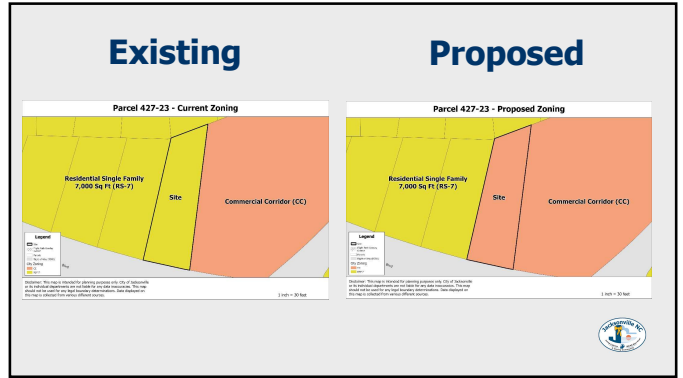
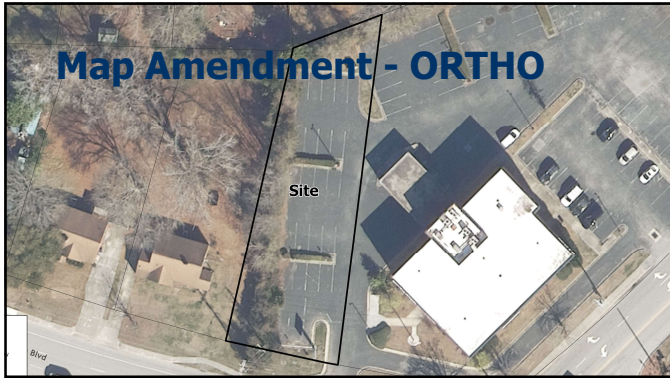
Map Amendment – Zoning Map Amendment – Lejeune Boulevard- Rezoning from Residential Single-Family 7 (RSF-7) to Corridor Commercial (CC)

Agenda Item 11

Map Amendment

- Charles F. Riggs & Associates on behalf of Extivita, LLC submitted a request to rezone 1 parcel of land:
 - 100 Lejeune Boulevard, .356 acres (Tax ID: 427-23)
- Current Zoning: RSF-7
- Proposed Zoning: Corridor Commercial (CC)
- The parcel abuts Lejeune Boulevard, a commercial property owned by the applicant and several single-family dwellings





- ### G.S. 160D Required Review
1. Consistency: Is the proposed amendment consistent with the CAMA Land Use Plan?
 2. Reasonableness: Is the proposed amendment reasonable for the current and future land uses?
 - The UDO has codified factors to consider.
 - Standards found in the Staff Report, A-J.

Legislative Public Hearing

Map Amendment –Zoning Map Amendment
 – Padrick Property – Rezoning from
 Conservation (CON-Onslow County) to
 Residential Single-Family 5 (RSF-5)

Agenda Item 12

Map Amendment

- Kimley-Horn, on behalf of the Padrick Trustees submitted a request to establish City zoning on 1 parcel of land:
 - Landlocked Parcel, 167.64 acres (Tax ID:330-13)
- Current Zoning: Conservation (CON) – Onslow County
- Proposed Zoning: Residential Single-Family 5 (RSF-5)
- The parcel abuts the development known as Williamsburg Plantation. The parcel is proposed to be developed which will gain access via Williamsburg Parkway and Fawn Trail.

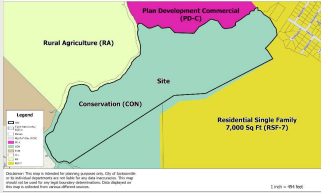


Map Amendment - ORTHO



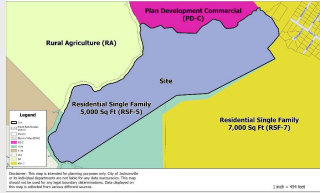
Existing

Parcel 330-13 - County Existing Zoning

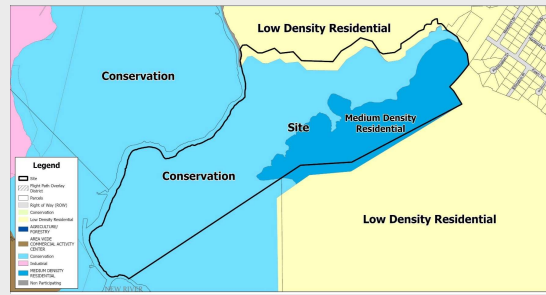


Proposed

Parcel 330-13 - County to City Proposed Zoning



Map Amendment - CAMA



Map Amendment- Posted Notice



G.S. 160D Required Review

- Consistency: Is the proposed amendment consistent with the CAMA Land Use Plan?
- Reasonableness: Is the proposed amendment reasonable for the current and future land uses?
 - TheUDO has codified factors to consider.
 - Standards found in the Staff Report, A-J.





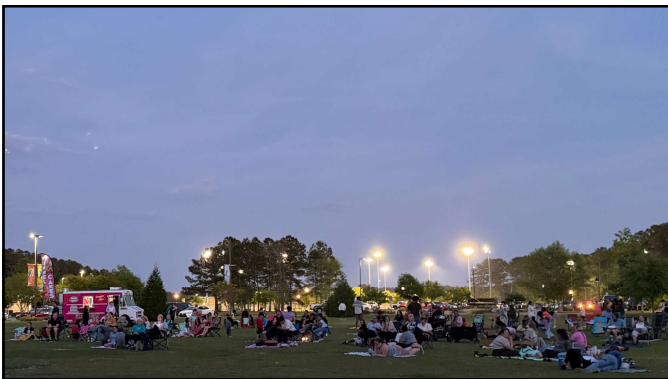
Military Child of the Year
North Carolina
Semifinalist and Finalist Ceremony



Annual Earth Day at Sturgeon City



Movie in the Park Series First Night





Request for City Council Action

**Consent
Agenda
Item:** **1**
Date: 5/4/2026

Subject: General Legislative Budget Amendment
Department: Finance
Presented by: Sabrina Adams, Finance Director
Presentation: No

Issue Statement

Budget amendment requests have been submitted since the last legislative budget amendment. The details of the adjustments are shown in the staff report.

Financial Impact

This budget amendment does not affect the General Fund balance.

Action Needed

Consider the Budget Amendment.

Recommendation

Staff recommends Council approve the Budget Amendment.

Approved: City Manager City Attorney

Attachments:

A Proposed Budget Amendment



Staff Report

Consent
Agenda
Item:

1

General Legislative Budget Amendment

This Budget Amendment seeks to:

- Appropriate DARE contributions (\$6,250) to cover Shop With A Cop event expenditures.
- Appropriate stormwater revenue for hauling services to Stormwater Drainage for costs related to Intergovernmental Service Agreement (IGSA) with Camp Lejeune (\$19,350).
- Closeout completed New Bridge Infra & Streets (SF1801) and return funds (\$99,827) to Street Improvements (GF9103).

Stakeholders

- The Citizens of the City of Jacksonville
- The City of Jacksonville

Options

Option 1: Approve the budget amendment. **STAFF RECOMMENDED**

Considerations: Revenues will be appropriated and accurately adjusted, and funds will be provided for current City initiatives.

Option 2: Do not approve the budget amendment.

Considerations: Revenues will not be reflected accurately, and projects and initiatives will not have sufficient funding for execution.

ORDINANCE (2026-)

AN ORDINANCE AMENDING THE FISCAL YEAR 2026 BUDGET

BE IT ORDAINED by the Council of the City of Jacksonville, North Carolina that the following amendments to the Fiscal Year 2026 General Fund, Stormwater Fund, Powell Bill Capital Projects Fund and Water Sewer Capital Projects Fund budgets are hereby enacted:

GENERAL FUND

REVENUES	BUDGET	CHANGE	TOTAL
CONTRIBUTIONS	2,000	6,250	8,250
TOTAL ADJUSTMENTS		6,250	
TOTAL FUND REVENUES	68,972,459	6,250	68,978,709

EXPENDITURES	BUDGET	CHANGE	TOTAL
POLICE EXPENDITURES	21,314,307	6,250	21,320,557
TOTAL ADJUSTMENTS		6,250	
TOTAL FUND EXPENDITURES	68,972,459	6,250	68,978,709

Appropriate DARE contributions (\$6,250) to cover Shop With A Cop event expenditures.

STORMWATER FUND

REVENUES	BUDGET	CHANGE	TOTAL
SALES & SERVICES	-	19,350	19,350
TOTAL ADJUSTMENTS		19,350	
TOTAL FUND REVENUES	4,560,153	19,350	4,579,503

EXPENDITURES	BUDGET	CHANGE	TOTAL
STORMWATER DRAINAGE EXPENDITURES	761,155	19,350	780,505
TOTAL ADJUSTMENTS		19,350	
TOTAL FUND EXPENDITURES	4,560,153	19,350	4,579,503

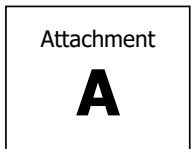
Appropriate stormwater revenue to reimburse Streets for costs related to IGSA invoices from October, November and December 2025 (\$19,350).

STREET IMPROVEMENTS (GF9103)

REVENUES	BUDGET	CHANGE	TOTAL
TRANSFER IN FROM W/S CAPITAL PROJECTS FUND	150,720	99,827	250,547
TOTAL ADJUSTMENTS		99,827	
TOTAL PROJECT REVENUES	39,355,317	99,827	39,455,144

EXPENDITURES	BUDGET	CHANGE	TOTAL
PROJECT EXPENDITURES	39,355,317	99,827	39,455,144
TOTAL ADJUSTMENTS		99,827	
TOTAL PROJECT EXPENDITURES	39,355,317	99,827	39,455,144

Closeout completed New Bridge Infra & Streets (SF1801) and return funds (\$99,827) to Street Improvements (GF9103).



NEW BRIDGE INFRA & STREETS (SF1801)

EXPENDITURES	BUDGET	CHANGE	TOTAL
PROJECT EXPENDITURES	4,134,317	(99,827)	4,034,490
TRANSFER OUT TO POWELL BILL CAPITAL PROJECTS	-	99,827	99,827
TOTAL ADJUSTMENTS		-	
TOTAL PROJECT EXPENDITURES	4,134,317	-	4,134,317

Closeout completed New Bridge Infra & Streets (SF1801) and return funds (\$99,827) to Street Improvements (GF9103).

This ordinance shall be effective upon its adoption.

ADOPTED by the Jacksonville City Council in regular session this 4th day of May, 2026.

Sammy Phillips, Mayor

ATTEST:

Rose R. Marshburn, City Clerk



Request for City Council Action

Consent
Agenda
Item: **2**
Date: 5/4/2026

Subject: Tax Releases, Refunds, and Write-offs – February 2026
Department: Finance
Presented by: Sabrina Adams, Finance Director
Presentation: No

Issue Statement

The County/City Tax Collector and the City's Finance Director recommend releases, refunds, and write-offs of property taxes as attached. The detailed list of these tax releases and refunds (that is, the listing by property name, amount, reason, etc.) is available in the Finance Office for review.

Financial Impact

The tax releases, refunds, and write-offs as recommended by the City/County Tax Collector total, respectively, \$1,155.19, \$9,994.32, and \$3.64 (\$11,153.15). February's releases total was adjusted to account for prior month's interest that was released in error (\$155.39 in total).

Action Needed

Review the tax releases, refunds and write-offs and consider approval.

Recommendation

Staff recommends Council approve the tax releases, refunds and write-offs.

Approved: City Manager City Attorney

Attachments:

A Tax Releases, Refunds, and Write-offs



Staff Report

Tax Releases, Refunds, and Write-offs February 2026.

Introduction

The Tax Releases, Refunds and Write-Offs as recommended by the City/County Tax Collector total, respectively, \$1,155.19, \$9,994.32, and \$3.64 (\$11,153.15).

Most of the Releases and Refunds are due to:

- 1) Clerical and/or addition errors on the Onslow County Abstracts.
- 2) Double charges for the same property.
- 3) Property erroneously listed as in this City.
- 4) Senior citizens exemptions.
- 5) Military non-resident.

Write-offs are due to:

- 1) A bill that is \$3.00 or less.
- 2) An over or underpayment of \$1.00 or less.

Other releases and refunds just have notations indicating that interest only is being released and there will be no corresponding reference explanation. The County's computer system automatically accrues interest on the first day of the month. There will be times when the County received payment on the day before or even on the same day that the account has accrued the interest. The County will adjust their accounts to remove the interest that was automatically charged in lieu of having accounts with balances usually less than \$1.00.

The listings of proposed releases, refunds and write-offs, as submitted by the Tax Collector, are in conformity with the law. Based upon this information as provided, which is believed to be true and accurate, your approval of these tax releases, refunds, and write-offs is recommended.

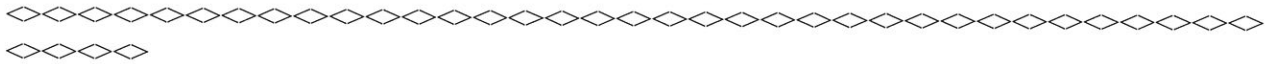
MEMORANDUM

JANUARY 1, 2026

TO: The Honorable Mayor and City Council

FROM: Onslow County Tax Administration
Cynthia Kenney, Listing Supervisor

SUBJECT: Tax Releases and Refunds



The Onslow County Tax Administration office recommends that you consider the attached list of releases and refunds per North Carolina General Statutes 105-380, 105-381, 382, 105-312 (1) and 105-277.1.

Most of the releases are due to clerical errors on the Onslow County tax abstracts, addition problems, double charges for the same property, property picked up as being inside Jacksonville but outside city limits, citizens that can claim the senior citizens exemption, but this exemption was not indicated on the tax abstracts, and military having vehicles registered in Onslow County but claiming another state as their legal residence, etc.

CK/sm

04/24/2026

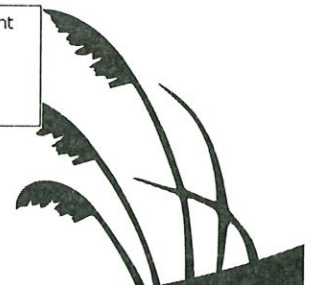
I have reviewed the attached listing of proposed releases, refunds, and write-offs. The requests are in conformity with the law. Based upon the information furnished me by the Tax Collector, which I believe to be true and accurate, I recommend their consideration as presented.


Sabrina Adams
FINANCE DIRECTOR

Attachment
A

Tax Department • Onslow County Government

Tax Department • Jacksonville, NC • 28540 • Phone: 910-989-2200 • Fax: 910-989-5810 • OnslowCountyNC.gov



TAX RELEASE SUMMARY

February 2026

YEAR	CODE	TAX RATE	PRINCIPAL	LATE LIST	INT.	TOTAL	TAX VALUE
2025	101-0000-111.00-00	0.006000	1,053.86	39.17	(4.08)	1,088.95	175,643.33
2024	101-0000-111.10-00	0.006000	191.77	19.18	(110.84)	100.11	31,961.67
2023	101-0000-111.10-00	0.006000	6.00	0.60	(37.63)	(31.03)	1,000.00
2022	101-0000-111.10-00	0.006420	-	-	(2.84)	(2.84)	-
2021	101-0000-111.10-00	0.006420	-	-	-	-	-
2020	101-0000-111.10-00	0.006420	-	-	-	-	-
2019	101-0000-111.10-00	0.006420	-	-	-	-	-
2018	101-0000-111.10-00	0.005380	-	-	-	-	-
2017	101-0000-111.10-00	0.005380	-	-	-	-	-
2016	101-0000-111.10-00	0.005380	-	-	-	-	-
2015	101-0000-111.10-00	0.006260	-	-	-	-	-
2014	101-0000-111.10-00	0.006260	-	-	-	-	-
TOTAL			1,251.63	58.95	(155.39)	1,155.19	208,605.00

101-0000-111.10-00	2014-2024	66.24
101-0000-111.00-00	2025	1,088.95
		<u>1,155.19</u>

**TAX REFUND SUMMARY
TAX TAG TOGETHER**

February 2026

YEAR	CODE	TAX RATE	PRINCIPAL	LATE LIST	INT.	TOTAL REFUND	TAX VALUE
2025	101-0000-311.01-00	0.006000	8,287.21	-	35.54	8,322.75	1,381,201.67
2024	101-5000-412.20-00	0.006000	1,265.82	-	19.06	1,284.88	210,970.00
2023	101-5000-412.20-00	0.006000	272.89	-	17.81	290.70	45,481.67
2022	101-5000-412.20-00	0.006420	95.99	-	-	95.99	14,951.71
2021	101-5000-412.20-00	0.006420	-	-	-	-	-
2020	101-5000-412.20-00	0.006420	-	-	-	-	-
2019	101-5000-412.20-00	0.006420	-	-	-	-	-
2018	101-5000-412.20-00	0.005380	-	-	-	-	-
2017	101-5000-412.20-00	0.005380	-	-	-	-	-
2016	101-5000-412.20-00	0.005380	-	-	-	-	-
2015	101-5000-412.20-00	0.006260	-	-	-	-	-
2014	101-5000-412.20-00	0.006260	-	-	-	-	-

TOTAL	9,921.91	-	72.41	9,994.32	1,652,605.05
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101-5000-412.20-00	2014-2024	1,671.57
101-0000-311.01-00	2025	8,322.75
		<u>9,994.32</u>

TOTAL Tax Tag Together Refund	<u>9,994.32</u>
GRAND TOTAL	<u>9,994.32</u>

TAX WRITE-OFF SUMMARY

February 2026

YEAR	CODE	TAX RATE	PRINCIPAL	LATE LIST	TOTAL	TAX VALUE
2025	101-0000-111.00-00	0.006000	3.13	0.04	3.17	521.67
2024	101-0000-111.10-00	0.006000	0.20	0.02	0.22	33.33
2023	101-0000-111.10-00	0.006000	0.25	-	0.25	41.67
2022	101-0000-111.10-00	0.006420	-	-	-	-
2021	101-0000-111.10-00	0.006420	-	-	-	-
2020	101-0000-111.10-00	0.006420	-	-	-	-
2019	101-0000-111.10-00	0.006420	-	-	-	-
2018	101-0000-111.10-00	0.005380	-	-	-	-
2017	101-0000-111.10-00	0.005380	-	-	-	-
2016	101-0000-111.10-00	0.005380	-	-	-	-
2015	101-0000-111.10-00	0.006260	-	-	-	-
2014	101-0000-111.10-00	0.006260	-	-	-	-

TOTAL	<u>3.58</u>	<u>0.06</u>	<u>3.64</u>	<u>596.67</u>
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101-0000-111.10-00	2014-2024	0.47
101-0000-111.00-00	2025	3.17
		<u>3.64</u>



Request for City Council Action

Consent Agenda Item: **3**
Date: 5/4/2026

Subject: Request to Waive Penalties for Jacksonville Occupancy Tax
Department: Legal & Finance
Presented by: Lorna Welch, City Attorney and Sabrina Adams, Finance Director
Presentation: No

Issue Statement

The owner of Fairfield Inn has sent in a Request to Waive Penalties for Occupancy Taxes collected in March 2026. The establishment had a returned check due to an account number entered incorrectly into the payment system. They normally do make payments electronically via the online payment portal. The owner is making the request based on their good compliance record and they meet the criteria for this request.

Council has authority to approve these requests pursuant to the authority granted to them by G.S. 160-215 and City Resolution 2010-14 which reads "The City Council has the same authority to waive the penalties for a room occupancy tax that the Secretary of Revenue has to waive the penalties for state sales and use taxes."

Financial Impact

There is no Financial Impact to the City.

Action Needed

Consider the Request to Waive Penalties.

Recommendation

Staff recommends Council approve the Request to Waive Penalties.

Approved: City Manager City Attorney

Attachments: None



Request for City Council Action

Consent Agenda Item: **4**
Date: 5/4/2026

Subject: Onslow County Social Services Annex - Building Inspections Interlocal Agreement

Department: City Manager's Office

Presented by: Anthony Prinz, Assistant City Manager

Presentation: No

Issue Statement

North Carolina General Statute 160D-202 allows municipalities to delegate building inspections authority to their respective county when appropriate; however, documentation of such authority must be recorded through a formal agreement. With recent construction projects such as the Courthouse expansion, Consolidated Human Services building construction, and others, it has become customary for the City to delegate building inspections authority to Onslow County for their capital projects.

County staff recently shared plans with the City Manager's Office to upfit an existing structure located at 154 Brynn Marr Road (the corner of Center Street and Brynn Marr Road) for use by their Department of Social Services (commonly identified as the Social Services Annex project). As part of implementing their plans, Onslow County requested that the City approve an interlocal agreement (Attachment A) to provide them with authority to conduct building inspections using County staff for this specific project. If approved, the agreement would sunset upon issuance of a certificate of occupancy (CO) for the Annex. Further, the agreement may be terminated by either party prior to the CO being issued, with proper notification.

Financial Impact

The City bears no financial obligation for this agreement.

Action Needed

Council consideration of the attached interlocal agreement.

Recommendation

Staff recommends Council approve the interlocal agreement.

Approved: City Manager City Attorney

Attachments:

A Proposed Interlocal Agreement

THIS AGREEMENT, made and entered into this _____ day of _____, 2026, by and between ONSLOW COUNTY, a body politic of the State of North Carolina, (hereinafter referred to as “Onslow County”), and the CITY OF JACKSONVILLE, a municipal corporation organized and existing pursuant to the laws of the State of North Carolina (hereinafter referred to as “City of Jacksonville”);

WITNESSETH

WHEREAS, Part 1 of Article 20 of Chapter 160A of the North Carolina General Statutes authorizes Onslow County and the City of Jacksonville to enter into interlocal agreements in order to execute any undertaking on behalf of one another; and

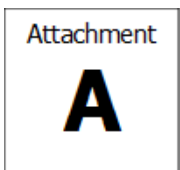
WHEREAS, North Carolina General Statute 160D-1102 authorizes the City of Jacksonville to request that the Onslow County Board of Commissioners direct one or more Onslow County building inspectors to exercise their powers within part or all of the city’s jurisdiction; and

WHEREAS, the City of Jacksonville and the County Board of Commissioners agree there are mutual benefits for directing Onslow County’s building inspectors to provide building inspection services through the exercise of their powers for the Social Services Annex Project, within the City of Jacksonville’s jurisdiction, specifically located at 154 Brynn Marr Road Jacksonville, North Carolina; (hereinafter “the Social Services Annex Project”), and

WHEREAS, Onslow County through its Board of Commissioners has agreed to provide such building inspection services consistent with the terms of this Agreement;

NOW THEREFORE, for and in consideration of the mutual benefits, covenants, and promises contained herein, the parties hereto agree as follows:

1. Onslow County agrees to direct its building inspectors and fire inspector to provide building inspection and fire inspection services, including all building, electrical, plumbing, mechanical and fire inspections, for the Social Services Annex Project located within the jurisdiction of the City of Jacksonville.
2. Onslow County agrees to direct its building and fire inspectors to coordinate with the City Fire Marshal so they may provide comment during the plan review process.
3. In providing services under this Agreement, Onslow County will be administering and enforcing the requirements of (1) the North Carolina State Building Code and all volumes, appendices, and amendments thereto, and (2) the North Carolina State Building Code: Fire Prevention Code and



appendices. In the event that enforcement of the code requires legal proceedings, such proceedings shall be instituted by Onslow County. All costs of such inspections and proceedings shall be paid by Onslow County.

4. The City of Jacksonville shall retain administration of its local zoning and code enforcement and fire prevention ordinances.

5. The City of Jacksonville agrees to provide Onslow County any documentation, files, publications, maps, or other materials in the City of Jacksonville's possession at Onslow County's request in order to assist Onslow County in providing services under this Agreement.

6. Onslow County agrees to receive and process all applications, associated fees and other materials and documentation necessary for Onslow County to provide the services under this Agreement. Onslow County agrees to pay to the City of Jacksonville any facilities fees for water and sewer service for this project. Onslow County will forward materials and documentation for review by City of Jacksonville for compliance with the laws and regulations which City of Jacksonville retains jurisdiction under this Agreement, including zoning, planning, fire prevention, and flood plain jurisdiction. Following issuance of a permanent certificate of occupancy, Onslow County shall forward to the City of Jacksonville a complete set of as-built plans for the facilities constructed as part of the Social Services Annex Project.

7. Onslow County agrees to provide the services under this Agreement at no cost to the City of Jacksonville and will bear the salary and benefits expense of Onslow County building inspectors and its fire inspector, including any indirect costs.

8. This Agreement shall be effective from the date first above written through the date of issuance of the permanent certificate of occupancy of the final phase of the Social Services Annex Project. Either party may terminate this Agreement upon two years advance written notice to the other party evidencing the adoption of a resolution indicating the termination.

9. Onslow County agrees to hire, maintain and supervise a sufficient building inspection staff to timely and competently provide the services under this Agreement.

10. All persons employed or acting on behalf of Onslow County in providing services under this Agreement shall be treated as employees or agents of Onslow County. The City of Jacksonville shall not be responsible or liable for any claims against said persons or Onslow County. To the extent allowed by applicable law, Onslow County specifically covenants and agrees to assume all liability for any act committed by any person employed or acting on behalf of Onslow County in providing services pursuant to this Agreement and hold harmless and indemnify the City of Jacksonville for all costs of litigation including damages, awards, penalties, payment of attorney fees or other costs incurred by the City of Jacksonville as a result of said act or acts.

11. Nothing set forth herein is intended nor shall be construed as a waiver of any immunity available to Onslow County or the City of Jacksonville, their governing boards, officers, employees, agents or anyone else having immunity due to their relationship with Onslow County or the City of Jacksonville.

12. The terms of this Agreement may only be modified by a written mutual agreement signed by the parties and attached hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, in duplicate originals, as of the day and year first above written.

ONslow COUNTY

By: _____ (seal)
Tim Foster, Chairman
Onslow County Board of Commissioners

Attest: _____ (seal)
Angela Hoffman, Interim Deputy Clerk

CITY OF JACKSONVILLE

By: _____ (seal)
Sammy Phillips, Mayor

Attest: _____ (seal)
Rose Marshburn, City Clerk

CERTIFICATE OF CITY'S ATTORNEY

I, the undersigned, Lorna Welch, the duly authorized and acting legal representative of THE CITY OF JACKSONVILLE, NORTH CAROLINA, do hereby certify as follows:

I have examined the attached Interlocal Agreement – Social Services Annex Project between the City of Jacksonville and ONslow COUNTY and the manner of execution thereof, and I am of the opinion that each of the aforesaid agreements have been duly executed by the

proper parties thereto acting through their duly authorized representatives; that said representatives have full power and authority to execute said agreements on behalf of the respective parties named thereon; and that the foregoing agreements constitute valid and legal binding obligations upon the parties executing the same in accordance with terms, conditions, and provisions thereof.

Lorna I. Welch, City Attorney

Date

APPROVAL BY CITY FINANCE OFFICER

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Sabrina Adams, Finance Director

Date

APPROVAL BY COUNTY FINANCE OFFICER

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

, Finance Director

Date



City Council Report

Agenda Item:	5
Date:	5/4/2026

Subject: FY27 Budget Discussion
Department: City Manager's Office
Presented by: Joshua W. Ray, City Manager
Presentation: Yes

Presentation Description

Per North Carolina General Statute (NCGS) § 159-13, City Council is required to adopt a balanced operating budget for FY27 by June 30, 2026.

A copy of the proposed budget was delivered to Jacksonville City Council on April 7, 2026. The proposed budget has been available for public inspection in the City Clerk's Office since April 7, 2026, as well as the Onslow County Public Library, and the City's website. Council held a Public Hearing to receive citizen input at the Regular Council Meeting on April 21, 2026, and no comments were made by the public. Council is scheduled to consider adoption of the FY27 Recommended Budget at the Regular Council Meeting on May 19, 2026.

Budget Highlights:

- \$134,342,890 Total Budget (6% reduction from FY26 Adopted Budget)
- \$0.60 Ad Valorem Tax Rate
- Priority Investment in Employees
- \$34.46 Million for Public Safety
- Water & Sewer Rate Increase of 1%
- Sanitation Commercial/Business Rate Increase Due to Proposed Increase in Onslow County Landfill Charges

The purpose of this meeting is for the Council to discuss the proposed budget. Staff will be present to answer any questions from Council and receive direction.

Action

No official Council action is requested for this item.

Approved: City Manager City Attorney

Attachments: Please bring your FY27 Budget Book to the meeting.



City Council Report

Agenda Item:	6
Date:	5/4/2026

Subject: House Bill 1038 Discussion
Department: City Council
Presented by: Council Member Willingham
Presentation: No

Presentation Description

House Bill 1038 was filed in the House of Representatives on April 22, 2026, in the General Assembly. The bill is co-sponsored by Representatives Wyatt Gable and Phil Shepard. This bill proposes to amend the Charter of the City of Jacksonville to require that all members of Jacksonville City Council be elected At-Large. The Bill reads as follows:

"Sec. 2-8. – Election of mayor and council – Generally

At a regular election to be held by the Onslow County Board of Elections on the Tuesday after the first Monday in November, there shall be elected a mayor and six council members, all of whom shall reside within the city and who shall run and be elected at-large by the qualified voters in the entire City of Jacksonville. The mayor shall be elected to serve a four-year term and until a successor is elected and qualified. Council members shall be elected to serve four-year staggered terms and until their successors are elected and qualified."

Beginning in 2027 with the regular municipal elections for the City of Jacksonville, and biennially thereafter, all Council members shall be elected "at-large" by the qualified voters of the City. No Council members for the City of Jacksonville shall be elected by ward, but the same staggering of terms shall remain in place as when members of the City Council were elected by ward.

Action

Council discussion.

Approved: City Manager City Attorney

Attachments:

A House Bill 1038

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025**

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HOUSE BILL 1038

Short Title: At-Large Elections/Jacksonville City Council. (Local)

Sponsors: Representatives Gable and Shepard (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Election Law, if favorable, Rules, Calendar, and Operations of the House

April 23, 2026

A BILL TO BE ENTITLED
AN ACT TO REQUIRE THAT ALL MEMBERS OF THE JACKSONVILLE CITY COUNCIL
BE ELECTED AT-LARGE.

The General Assembly of North Carolina enacts:

SECTION 1. Section 2-8 of the Charter of the City of Jacksonville, being Chapter 911 of the 1967 Session Laws, as amended by City Ordinance No. 89-21 adopted on April 26, 1989, and City Ordinance No. 06-59 adopted on November 21, 2006, reads as rewritten:

"Sec. 2-8. – Election of mayor and council – Generally.

At a regular election to be held by the Onslow County Board of Elections on the Tuesday after the first Monday in November, there shall be elected a mayor and six ~~councilmembers,~~ Council members, all of whom shall reside within the city and who shall run and be elected ~~in the following manner: Two of the councilmembers shall run at large and four of the councilmembers shall be elected from the wards established by the City of Jacksonville under this ordinance and map published herewith or as such wards may hereafter be constituted, and there shall be elected only one councilmember from each ward who shall be a resident of the ward for which he is elected and shall be voted on by the qualified voters of such ward. The candidate receiving the highest number of votes for the office of councilmember from the ward of his residence shall be declared elected to that office. The two candidates running at large shall be voted on by all qualified voters of the city and the two candidates running at large who receive the highest number of votes for the office of councilmember shall be declared elected to that office. The candidate for mayor shall be elected by the electors of the city at large. The candidate receiving the highest number of votes for the office of mayor shall be declared elected mayor.~~

~~Effective December 27, 2006, at the next regular municipal election following pre clearance of this Charter Amendment by the Department of Justice, if said pre clearance occurs on or before the last day of the filing period for said election, the candidates receiving the highest number of votes for the Office of Mayor and the candidates receiving the highest number of votes for Ward 3 and Ward 4 (minority ward) Council Members shall be elected for an initial four (4) year term; and the two candidates receiving the highest number of votes for At Large Council Members and the candidates receiving the highest number of votes for Ward 1 (minority ward) and Ward 2 Council Members shall be elected for an initial two (2) year term. Subsequent elections for the Mayor and all City Council Members shall be for four year terms and until their successors are elected and qualified at-large by the qualified voters in the entire City of Jacksonville. The mayor shall be elected to serve a four-year term and until a~~



Attachment

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1 successor is elected and qualified. Council members shall be elected to serve four-year
2 staggered terms and until their successors are elected and qualified."

3 **SECTION 2.** Beginning in 2027 with the regular municipal elections for the City of
4 Jacksonville, and biennially thereafter, all Council members shall be elected "at-large" by the
5 qualified voters of the City. No Council members for the City of Jacksonville shall be elected by
6 ward but the same staggering of terms shall remain in place as when members of the City Council
7 were elected by ward.

8 **SECTION 3.** This act is effective when it becomes law and applies to elections held
9 on or after that date.



City Council Report

Agenda Item:	7
Date:	5/4/2026

Subject: Street Trees Discussion
Department: Planning & Inspections
Presented by: Ryan King, Director of Planning and Inspections
Presentation: Yes

Presentation Description

Staff will provide a brief presentation outlining the current requirements for street tree installation and placement as specified in the Unified Development Ordinance (UDO) and Manual of Standards, Specifications, and Designs (MSSD). The presentation will focus specifically on the provisions that require developers to install street trees as part of development projects that include the construction of new public or private streets. Staff will review the benefits of these requirements and how they conflict with other infrastructure such as sidewalks, utilities, and stormwater features.

Staff will request guidance and direction from the Council regarding the intended expectations and applicability of these requirements. Based on Council's feedback, staff may prepare and submit proposed amendments to the applicable sections of the UDO and MSSD for formal consideration by the City Council at a future meeting. These potential updates will be processed through the standard legislative process, allowing for further review, discussion, and public input before any changes are presented to Council for adoption.

Action

Receive report and provide feedback.

Approved: City Manager City Attorney

Attachments: None