

Town of Spring Lake
Closed Session Meeting of the Board of Aldermen
Municipal Building
300 Ruth Street
Spring Lake, NC 28390

March 8, 2021

GENERAL ACCOUNT

6:00 p.m.

Persons present:

Mayor Dobbins, Mayor Pro Tem Aziz (via zoom), Alderwoman Cooper, Alderwoman Sutherland, Alderwoman Jackson, Alderman O'Garra, Town Attorney Jonathan Charleston, Tonny McNeil, Economic Developer, Interim Town Manager, Adam Lindsay, (via zoom) Melissa Pereira, Deputy Town Clerk, and Debora Hudson, Town Clerk and Barnard Lemon, Visual Coordinator, Catherine Bamba (via zoom), Bob Stafford, Developer and Carl Manning, Kingdom CDC

N.C.G.S. 143-318-11(a)(4) – Economic Development

Mr. Tonny McNeil gave a brief overview and update on Project Pancake and introduced Bob Stafford and Carl Manning. Mr. McNeil stated Project Pancake is a twenty-five-million-dollar project. Mr. McNeil shared the potential investment to the town. Mr. McNeil stated this development will look very similar to Highgrove Development in Anderson Creek. Alderwoman Cooper stated she wasn't sure why this is in closed session. Mr. McNeil stated this is an Economic Development update with an ED project with local incentives only. Alderwoman Cooper asked has the site plan and zoning been taken care of? Mr. McNeil stated it has gone before zoning and on March 22nd it will come before this board. Alderwoman Cooper stated any new development coming to town is not information you have to hide. Mr. McNeil stated any Economic Development is confidential until it is announced. If we discuss it in open session it will be seen as an announcement and there will be no need to offer incentives. Alderwoman Sutherland stated some stuff is not in order and you did a presentation downtown. I think the situation when we get to another step of approving, we need to have a public hearing. It appears we keep hiding stuff. People living in this community have a say so. Let our citizens be involved.

Mr. McNeil said in response that on March 22nd there will be a public hearing and it will be in open session but at that time we can't disclose the name of the project. Alderwoman Jackson stated so basically you are just trying to give us information before March 22nd. Mr. McNeil stated he wants the board to know and understand it is also legal for us to keep these projects confidential for our protection, the

company's protection and if the state is involved it's done for the state's protection as well. We can't say the name of a company in open session before its announced. With state incentives on the table and you say the name of the company then the deal is off and I really want the board to understand that. Mr. McNeil presented the PowerPoint. This project is asking for everything to be zoned as R6 A to allow for 100 homes. There will be new roads, new infrastructure and fire protection in terms of fire hydrants. Alderman O'Garra asked where is the air field located? Mr. McNeil explained you have two other parcels between the two and the airfield. Mayor Dobbins talked about the two cul-de-sacs and railroad bed being less than a mile. RULAC wants to create a buffer zone in between the runway and the housing development. This plan was done in 2002 and that plan would cut off about thirty houses. Alderwoman Cooper asked wasn't this presented before the CC Planning board? If this is the same plan it goes against our 2030 vision plan and I believe RULAC is strongly against it and CC Planning is strongly against it so I don't understand why we would go against all these people to build this. I am also concerned about the R6A zoning. Why do we need to zone it R6A? Mr. McNeil addressed Alderwoman Cooper and said as far as the other entities being strongly against it, yes, there was a presentation to encourage the joint planning board to vote in favor of changing the zoning and the reason they voted against it is because of the current RULAC plan but if you look at how it is zoned according to the RULAC plan it is zoned for median density residential. There was a discussion and an option that was placed on the table and could possibly be allowed. We chose to bring it before this board because of the advantages of housing stock, the investment, property tax base, new water users, and etc. In terms of risk, we have the same residential risk there now, we have an area that's blighted versus a new development. I think we have real opportunity to bring ED, to bring housing because all these dots are connected. When we recruit industry the first thing people look for is a place for their employees to stay. Alderwoman Sutherland stated it sounds great but we do have a 2030 plan and also discussed the concerns of the water treatment plant. Alderwoman Sutherland stated it is a possibility the taxes may go up. Mr. McNeil stated that he was a part of the discussion with the engineers and stated this development would be within the current capacity. Your water treatment is designed for residential and it is not designed for industrial. It does need to be upgraded but we need to also be able to handle anything that comes through as industrial. We did consider this. Mr. Charleston asked does the current plan allow for residential up against heavy industrial? Tonny stated it does, the term heavy industrial was put there as a buffer between the air strip and the residential. What

is to prevent a heavy industrial use from coming in right next to a residential use in that same situation asked Charleston? Mr. McNeil stated the quick answer is the intent is not to have heavy industrial, it's just a buffer. Mr. Charleston asked is there anything that could stop heavy industrial from coming in? Mr. McNeil said, it's not zoned for that. Bob Stafford, potential developer chimed in and stated heavy industrial, about 2/3 of that is jurisdictional wetlands and it will never be heavy industrial. Bob Stafford stated it was a rejection from the planning board subject to Spring Lake. The staff recommendation until RULAC came into play they were much in favor of it. Alderwoman Sutherland stated the area that you can't develop is a flood area and have you considered that? Fire flow has to be done, the stormwater detention has to be approved by the county and the state, and the jurisdictional wetlands are being preserved in order to take the flood waters from the river. All of that would be protected better than it is now. The jurisdictional wetlands are protected by the U.S. Army Corp of Engineer. Alderwoman Jackson asked for clarity and understanding of what and who RULAC is. Alderwoman Jackson stated I understand that you gave us an opportunity to get more knowledgeable about what's going on. Alderwoman Jackson stated we are just as good as Anderson Creek. Mr. McNeil stated in development there is a slight misconception that wetlands can't be developed but as long as you have a wetland bank the Army Corp of Engineers will allow that. You just have to give them an equal amount of undisturbed wetlands.

Mr. Lindsay suggested with the new Interim Town Manager, it might be worth us taking a look at these plans and give you her opinions going forward. Mayor Dobbins suggested all board members go by and talk with Mr. McNeil about this.

N.C.G.S. 143-318-11(a)(3) – Attorney Client Privilege

Mr. Lindsay gave a brief overview to the board about the discussion with the LGC. Mr. Lindsay stated that he felt it was a good phone meeting with LGC. The LGC has high expectations and expects Spring Lake to continue on the path. The deficit we have developed in our fund balance has to be overcome. We must have a minimum of 8% of our total expenditures in our general fund. Mr. Lindsay stated our fund balance is less than 1%. He stated the LGC will expect monthly monitoring, will require financial reporting requirements, bank reconciliations and credit cards be on schedule. They want to see our budget before its adopted. The LGC will be at our board meeting on April 26th and will speak in open session. The LGC will want to see our recommended budget and will want feedback on the non-profit information.

Mr. Charleston stated we are on the financial watch list and the LGC and will closely monitor things. Mr. Charleston stated the state investigators are still here. Mr. Lindsay stated budget is not in balance, and investigators found some irregularities. Mr. Lindsay state some of our revenues may be a little stronger than what we thought. At our next board meeting we will have some more concrete plans on budget reductions. Alderwoman Sutherland asked for an update on vehicle use, and asked where do we stand with the land? Alderman O'Garra asked Mr. Lindsay how long will you be with us? Mr. Lindsay stated until Samantha comes on, which I believe is March 22nd.

N.C.G.S. 143-318-11(a)(6) – Personnel

ATTEST:

Mayor
Larry G. Dobbins

Debora Hudson
Town Clerk