



**City of Boiling Spring Lakes
Board of Commissioners Workshop
Development Proposal
August 18, 2017
City Hall – 9:00 a.m.**

PLEASE TURN OFF CELL PHONES

1. Call to Order ~ Mayor Craig Caster

The Board of Commissioner Workshop Meeting was called to order at 9:00 a.m.

2. Attendance ~ in attendance at the meeting were ~

Mayor Craig Caster

Commissioner David Putnam

City Manager Jeff Repp

Commissioner Mark Stewart

Commissioner David Crawford

Commissioner Mary Stilwell ~ **Excused**

City Clerk Jane McMinn ~ **Excused**

3. Introduction ~ City Manager Jeff Repp

Mr. Repp explained the Board is meeting today to review a draft Memorandum of Understanding (MOU) for the potential development of 159 lots in a portion of Boiling Spring Lakes that is partially serviced by water; however, there is no sewer service to the area. The area we are specifically talking about is between the golf course and Cougar Road and borders on one side by NC Rt. 87. That portion of NC Rt. 87 is already serviced by sewer which has been in place over to Morningside Lane. The area to install sewer collection lines will be on Goldsboro Road and Fifty Lakes Road as reflected in the MOU. Austin 512, LLC currently owns the 159 lots; however, the roads in this area are maintained by the city. The Board has agreed to consider a development agreement by either reimbursing or creating a special assessment for those roads.

The purpose of the Workshop will be to review the MOU that establishes terms and conditions if the developer purchases the 159 lots from the current owner. The city has had a number of conversations with Brunswick County Public Utilities to possibly extend sewer service to this area. Considering the potential amount of wetlands, sewer service is most likely the only way you will see development. The Board has indicated if development were to occur, it would make economic growth a real possibility along NC Rt. 87, which would then bring retail service to the area.

Mr. Repp stated the proposed draft MOU covers several issues.

The draft MOD is hereby incorporated by reference and made a part of these minutes.

Mr. Repp introduced Mr. Nathan Sanders of Sanco Homes, Ms. Ann Hardy Brunswick County Manager and Mr. Bill Pinnix Director of Engineering Services for Brunswick County.

4. **Mr. Nathan Sanders ~ Sanco Homes**

Mr. Sanders explained Sanco Homes is very excited to be here in Boiling Spring Lakes and introduced his development team: Gary Keyes Principal Owner of Keyes Surveying, Wes Corder President of Thompson Corder Civil Site Contractors, David Scibetta of Southern Environmental Group, Candi Alexander President of Sanco Homes and Phil Norris Principal of Norris and Tunstall Civil Engineering.

Commissioner Crawford inquired about the billing procedure with respect to sewer, schedule of building permits being issued, architecture of homes and wetlands.

Mr. Repp explained, potentially Sanco Homes would build some homes and other contractors would purchase lots and also build homes. Mr. Sanders explained plans would be submitted to Sanco and reviewed and approved by Sanco keeping the continuity of the architecture of the homes consistent.

Mr. Sanders also gave an overview of the wetlands in the area commenting there is so much due-diligence which is done prior to meeting with the city. A wetlands environmental study has been done on the tract of 159 lots under contract.

Commissioner Stewart commented that he has reviewed the documentation several times and stated this project is a win; win for the city for all parties involved. We want growth in the city and growth in the commercial district. Based on the figures we will see a larger tax base. The sewer assessment will only affect the homeowners and those funds will be paid back to the city.

Commissioner Putnam agreed with both Commissioners Stewart and Crawford regarding questions and statements. Commissioner Putnam inquired with respect to the timeframe for building the 159 current lots; the management of the wetlands, and how many additional lots would you anticipate be included. Commissioner Putnam also agreed this is a win; win for our community.

Mr. Sanders would like to anticipate sales of 24 or 25 homes per year, provided the market continues as is. The 159 lots are under contract, we would probably be able to develop all of those lots, there may be eight (8) to ten (10) lots, which may take a little longer, but we anticipate building all 159 lots.

Mayor Caster requested an explanation with respect to the sewer line and the timeframe it would take the county for the installation.

Mr. Repp explained the county was more than willing to do a special assessment district (SAD) for the project if requested by the Board of Commissioners, however it would take the county somewhere in the area of two (2) or more years study, design and construct the

sewer lines. This is a very small project for the county with much larger projects that would come before the one we are discussing today. The city can undertake this project and complete it much faster than the county.

The Board of Commissioners is in accord and understood how the funding would work with the advent of the SAD. All members felt very strongly it was very important our citizens know the funding would be with city funds, but that it would be recouped via liens placed on properties benefiting from the project..

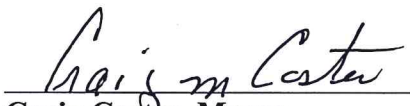
Both Ms. Ann Hardy and Mr. Bill Pinnix of Brunswick County offered their help and assistant with the project and are here for any questions.

The Mayor and Commissioners agreed this project is overall a major step forward for the city and our commercial district and Sanco Homes.

Mr. Repp informed the Board the next step will be putting the MOU in final form and will be listed on the agenda for final approval at the September 5, 2017 BOC meeting.

Mayor Caster thanked all the participants for attending and the city is looking forward to working together.

The Workshop adjourned at 10:00 a.m.

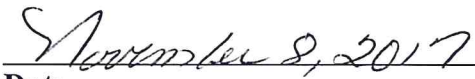


Craig Caster, Mayor

ATTEST:



Jane McMinn, City Clerk



Date



This Memorandum of Understanding made this ___ day of _____, 2017, by and between the **City of Boiling Spring Lakes**, hereinafter "City", and **Sanco Builders Corp.**, a North Carolina corporation, hereinafter "Sanco";

WITNESSETH:

THAT WHEREAS, Sanco has an option to purchase approximately 185 lots in the City of Boiling Spring Lakes from Austin 512, LLC; and

WHEREAS, before exercising said option to purchase the lots, Sanco has inquired of City regarding the availability of water and sewer service for said lots and possible road improvements upon the City streets serving said lots; and

WHEREAS, although water service is available along Fifty Lakes Drive for a few of said lots, sewer service is not available at this time to any of said lots, but county transmission lines are installed along Cougar Drive; and

WHEREAS, the Board of Commissioners of the City of Boiling Spring Lakes believe that additional residential development in this part of the City will foster commercial development along NC HWY 87 adjacent to the property area to the benefit of residents and property owners in the City; and

WHEREAS, the City has agreed to cooperate with Sanco in its efforts to make water and sewer service available to said lots, along with road improvements for the streets serving said lots when requested by Sanco, with the costs for road improvements to be assessed pursuant to Article 10, Chapter 160A, of the General Statutes;

NOW, THEREFORE, it is the understanding of City and Sanco as follows:

1. Upon acquisition by Sanco of the subject property, the City will initiate proceedings under Article 10, Chapter 160A, of the General Statutes, to consider the levying of special assessments against benefitted property for a project to install a sewer collection line on Goldsboro Street from Cougar Drive to Fifty Lakes Drive and along Fifty Lakes Drive to Morningside Drive to serve the project as shown on Attachment A attached hereto.

2. Following completion of the projects to install a sewer collection line on Goldsboro Street and a sewer transmission line on Fifty Lakes Drive, it will be the responsibility of Sanco to install water and sewer lines on Plymouth Street, Westway Street and Pine Needle Street of which over 85% of the lots will be owned by Sanco. Said lines must be installed according to the requirements and policies of Brunswick County and must be dedicated upon completion to Brunswick County.
3. Following completion of the projects to install a sewer collection line on Goldsboro Street and a sewer collection line on Fifty Lakes Drive, the City, upon request, will initiate proceedings under Article 10, Chapter 160A, to levy special assessments against benefitted property for projects to install water and sewer lines along the following streets: Fox Squirrel, Morningside, Parkway, Downing and Golfview.
4. In the event that Sanco, following the installation of sewer and water lines, improves any of the above streets to the standard required by the City for acceptance, the City agrees to reimburse Sanco for the reasonable cost of street improvements at such time that the following number of building permits have been issued for each street: Fox Squirrel-27; Morningside-12; Parkway-13; Plymouth-18; Downing-12; Westway-15; Pine Needle-16; and Golfview-11. Sanco agrees to notify City prior to beginning any road improvements in connection with said roads in order for City to review the specifications and plans to determine their compliance with City standards and requirements. Before reimbursement Sanco shall provide documentation to City from a licensed engineer verifying that said roads meet all city standards and requirements.
5. Upon such time as the City receives local authority by the NC General Assembly to create a special assessment district for street and sidewalk improvements without the requirement of a petition pursuant to NCGS 160A-10 this will become the method used by the City for road improvements found in section 4 above.
6. Notwithstanding Paragraph 4 above, City shall have the right in its discretion to improve any of the above-described roads itself and levy

special assessments pursuant to Article 10, Chapter 160A of the General Statutes.

City of Boiling Spring Lakes

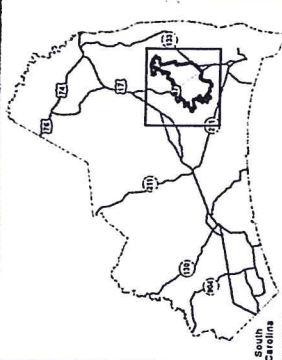
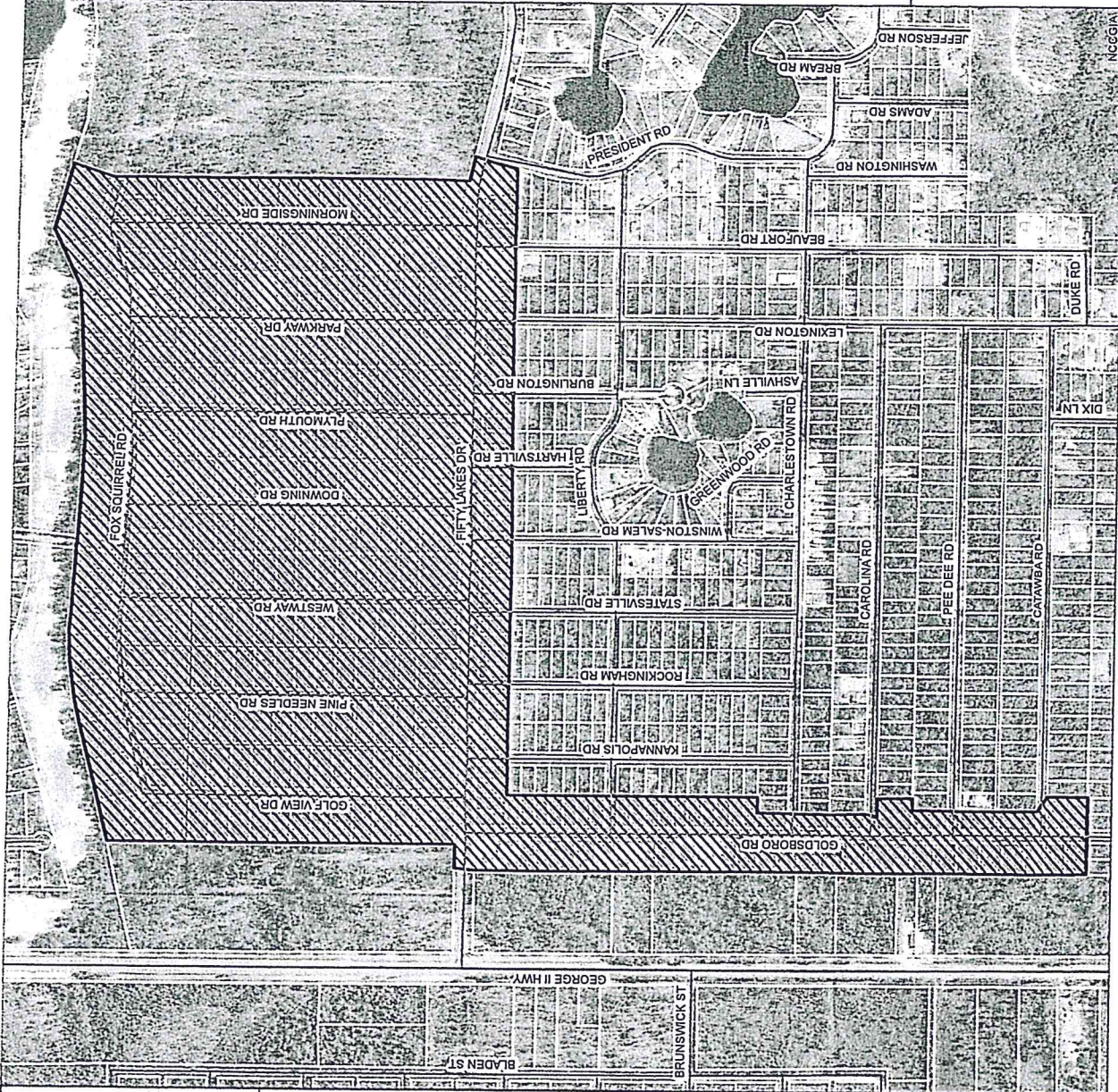


Sanitary Special Assessment District Request

The area outlined in red shows the Special Assessment District for the installation of water and sewer systems.



Map Prepared By:
Cape Fear Council of Governments
Planning and Development
Wilmington, NC 28401



Map is to be used for general purposes only. Spatial data used to generate this map was gathered from disparate sources and represent a condition at a fixed period in time. 100% accuracy of spatial data to current circumstances cannot be guaranteed. The Cape Fear Council of Governments is not legally responsible for the misuse of this map.

