

Belhaven Town Council
Minutes – Workshop – Option on Belhaven Fish & Oyster Property
Monday, May 1, 2006

Call to Order/Invocation/Pledge of Allegiance

The Town Council of the Town of Belhaven met in workshop session on Monday, May 1, 2006 at 7:00 P.M. in the Council Chambers at Town Hall. Mayor Adam W. O’Neal called the meeting to order with the following Council members present: Albert Baker, Steve W. Carawan, George R. Ebron, Jr., Mayor Pro-Tem and Cynthia M. Heath. Dr. Charles O. Boyette, Councilman was not present at the beginning of the meeting but arrived later. Town Manager Tim M. Johnson, Town Attorney Keith B. Mason and Town Clerk Marie J. Adams were also present. Mayor O’Neal asked Mr. Bob Holz to give the invocation. Mayor O’Neal led the audience in the Pledge of Allegiance. Councilman Boyette arrived this time 7:03 P.M.

Purpose of Workshop – to Discuss Procedures of the Option which the Beaufort County Committee of 100 has on the former Belhaven Fish & Oyster Property- Owned by the Town of Belhaven

Mayor O’Neal asked Attorney Mason to give guidance as to how the Town should proceed with the sell of the former Belhaven Fish & Oyster property, now that the option has been executed. Attorney Mason read the following information from the General Statutes 160A- 457 Acquisition and disposition of property for redevelopment (4) To sell, exchange, or otherwise transfer real property or any interest therein in a community development project area to any redeveloper at private sale for residential, recreational, commercial, industrial or other uses or for public use in accordance with the community development plan, subject to such covenants, and restrictions as may be deemed to be in the public interest or to carry out the purposes of this Article; provided that such sale, exchange or other transfer, and any agreement relating thereto, may be made only after approval of the municipal governing body and after a public hearing; a notice of the public hearing shall be given once a week for two successive weeks in a newspaper having general circulation in the municipality, and the notice shall be published the first time not less than 10 days nor more than 25 days preceding the public hearing; and the notice shall disclose the terms of the sale, exchange or transfer. At the public hearing the appraised value of the property to be sold, exchanged or transferred shall be disclosed; and the consideration for the conveyance shall not be less than the appraised value.

Mayor O’Neal questioned the next procedure to convey the property. Attorney Mason stated that the Council needed to 1) consider the appraisal; 2) suitability of the property for the intended use; and 3) schedule a public hearing.

Mayor O’Neal asked Councilman Boyette, former Mayor, for the history with the former Sea Safari Property (SS), Day Beacon #9, (now being developed into condos by Dixon & Hoyle, LLC and tied to the development of the former Belhaven Fish & Oyster Property). Councilman Boyette stated that the former Belhaven Fish & Oyster property had stood neglected; the town purchased the property, demolished the buildings with an estimated \$110,000. Councilman Boyette explained that the first developer would be taking a risk and that the former Belhaven Fish & Oyster property (BF&O) was offered with financing to the developer of the first phase. Councilman Boyette explained that the increase in tax base and would promote the future development of the waterfront.

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Mayor O’Neal asked that Mr. Skip Dixon, Developer of Dixon & Hoyle, LLC explain their part in the development of the waterfront. Mr. Dixon stated that the Sea Safari property was negotiated through the Beaufort County Committee of 100 (BCC100) and is discussed that Phase I would be the development of the (SS) property and discussed the desire to be able to develop the former BF&O property as Phase II. The agreement was that Dixon & Hoyle could have a 2 year option to purchase the former BF&O interest free and at the end of the two year option either notifies the town the desire to exercise the option to purchase or to close the option. Mr. Dixon stated that Dixon and Hoyle, LLC has notified the town of their desire to exercise the option to purchase and would like to begin the design phase. Mr. Dixon stated that according to the General Statutes an appraiser was hired to appraise the former BF&O property and was appraised at \$160,000.

Mr. Dixon explained that Dixon and Hoyle purchased the former SS property for \$960,000 for three acres and would not have purchased that property without the option on the former BF&O property. Mr. Dixon explained that real estate values in Belhaven have increased due to the purchase of the former SS property. There was some discussion concerning when the appraisal on the former BF&O property should have taken place at the time of the signing of the option or at the time when the option to purchase is exercised. Mayor O’Neal questioned that the option which Attorney Mason wrote on behalf of the town should have been more detailed. Attorney Mason stated that the option had the General Statutes referenced in which the sale of public property can take place. There was some question and discussion concerning if the option was a legal contract and if the price had been established. Town Attorney Mason stated that the contract was legal and the price was established.

Mr. Dixon stated that Dixon and Hoyle, LLC had legal obligations to the Town of Belhaven and the BC100 and that they will do their part to fulfill and that he expects the Town of Belhaven to do the same.

There was some discussion concerning the town’s dinghy dock which is a separate piece of property which the town owns that joins the former BF&O property. Councilman Boyette stated that the town had an easement on the Pungo District Hospital side of Wynne’s Gut and if needed, the dock could be moved. There was also discussion concerning that the view of the water not be blocked from the end of Pamlico Street.

Mr. Dixon stated that ten three bedroom condominiums (3,000 square feet) are planned for the BF&O property with 8 – 10 boat slips. Mr. Dixon stated that Dixon & Hoyle, LLC may jointly work with the town in the building of boat slips or the dinghy dock.

Mayor O’Neal stated that he did not like the deal (concerning the option on the former BF&O property) but the Town needed to abide by the agreement.

Councilwoman Heath questioned if the sale of the former BF&O property would be for \$150,000 or \$160,000. Attorney Mason referred the General Statutes by stating that the appraisal price would be the sale amount. There was some discussion by Mr. Dixon,

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concerning paying \$160,000 for the property and earmarking \$10,000 towards the dinghy docks.

Miscellaneous Questions from the Public

Mayor O’Neal recognized the following who spoke briefly: Mr. Bob Holz questioned if the option for the purchase of the former BF&O property was with Dixon and Hoyle, LLC or BCC100. Attorney Mason stated that the option was with BCC100 as in accord with the General Statutes on disposal of Town property.

Mayor O’Neal questioned if the proposed condominiums at the former BF&O property where in compliance with the Belhaven Waterfront Master Plan (WP). Town Manager Johnson stated that according the (WP) the plans would have to go through the planning board.

Attorney Mason stated that covenants could be placed on the property. Town Manager Johnson state that no decisions are made until after the public hearing.

Mr. Bill Gwen questioned 8 – 10 boat slips for that property stating that was hard to believe. Mr. Dixon stated there will be only 8 – 10 boat slips as CAMA regulations state that over 10 boat slips qualify it as a marina and that the development did not want to go through that type of permitting process.

Mr. Bob Holz stated that we should keep in mind that the WP is in concept only.

Mayor O’Neal asked Mr. Dixon to provide some type of drawing of the proposed development for the public hearing. Mr. Dixon stated he would have something.

Mr. Larry Pleasant, Planning Board Chairman, stated that this detail was getting ahead of the planning board.

Council discussed setting the public hearing at the Monday, May 8, 2006 Council meeting.

Mr. Less Porter questioned if comments would be received from the public at the public hearing. Mayor O’Neal stated yes.

There being no further discussion, Councilman Carawan made the motion to adjourn. Councilwoman Heath seconded the motion which carried unanimously. The meeting adjourned at 8: 19 P.M.

Respectfully submitted,

Marie J. Adams, CMC
Town Clerk