

**MINUTES OF A PUBLIC HEARING  
OF THE JACKSON COUNTY  
BOARD OF COMMISSIONERS  
HELD ON  
MARCH 20, 2017**

The Jackson County Board of Commissioners held a Public Hearing on March 20, 2017, at 5:30 p.m., Justice & Administration Building, Room A201, 401 Grindstaff Cove Road, Sylva, North Carolina.

Present: Brian McMahan, Chairman  
Charles Elders, Vice Chair  
Boyce Deitz, Commissioner  
Mickey Luker, Commissioner  
Ron Mau, Commissioner

Don Adams, County Manager  
Heather C. Baker, County Attorney  
Angela M. Winchester, Clerk to Board

Chairman McMahan called the public hearing to order and stated the purpose was to receive public input for a proposed conveyance of land owned by the county and an Economic Development Agreement between the county and WNC Outdoor Development, LLC.

Rich Price Economic Development Director, provided a summary of the project. It was proposed that the county enter into an agreement with WNC Outdoor Development, LLC, for a period of ten years. The agreement would allow for the sale of 7.0 acres of county owned property to WNC Outdoor Development, LLC, for construction of a new adventure and lodging center.

The county intended to sell the property to WNC Outdoor Development, LLC at a below market value rate for the amount of \$50,000. North Carolina General Statute § 158-7.1 authorized counties or municipalities to offer such incentives, provided that specific provisions were met. Those provisions included, but were not limited to:

- Creation of new jobs, at a prevailing wage for the county. The rate was established by the NC Economic Development Partnership.
- Significant capital investment must be made in order to create increased tax value of the property.
- The county must receive monetary consideration in job creation, equal to or greater than the fair market value of the property.

The recently appraised market value of the property was \$791,000. It was very important to understand that the appraisal was completed with the understanding that the property would be improved to include access to water and sewer and with some site prep work.

For the conveyance of the property for \$50,000, within five years, the developer must construct multiple structures and/or improvements to the property, as it was depicted on the site plan exhibit of the economic development agreement. The developer would create and sustain ten full-time jobs with an average pay to be at or above the prevailing wage in Jackson County, which was currently \$563 per week or \$14.08 per hour. In this particular instance, the developer also agreed to include benefits.

The developer would be contractually and personally obligated to return consideration to the county in the amount of \$880,984, in the form of sales, occupancy tax revenues, job creation credits and property tax increases. The developer would also agree to certain claw back and reversionary provisions in the agreement in case of default. The county, in turn, would agree to construct the necessary sewer and water extension to the primary development site, at a cost of no more than \$843,700, of which \$400,000 was pending with multiple grant agencies. They were hopeful to hear affirmative awards on the three pending grants in the next 30-45 days.

The county would also complete basic site prep and land clearing work on both of the parcels to be conveyed, not to exceed \$74,000. The county agreed to and completed the hydrological study on the site that allowed them to request the letter of map revision, which was a favorable consideration of the flood way and flood zone designations for the property since the dam had been removed. They were awaiting the final revision from FEMA, which was anticipated in a matter of weeks.

The county's investment in the project would be rewarded with new job creation, new part-time seasonal jobs, which would be a tremendous benefit in the county. The project would bolster an already impressive outdoor recreation and adventure tourism segment of the economy. It would provide for increased sales and occupancy tax revenues, as well as increased property tax values. The capital investment made by the developer would be significant and would flow through to the local economy.

A key significance was that the project was projected to drive substantial increases in visitation and overnight stays that would result in multiplied spending in the millions of dollars over the ten year period of the agreement. Through colleagues at WCU and also through vetting by the NC Economic Development Partnership, it was projected that multiplied spending could be in the neighborhood of \$60 mil or greater, over the ten year period of the agreement. The project would be a catalyst for additional small businesses in the Dillsboro area and throughout the county.

In the agreement, the county would maintain public river access through and around the development. There was also language in the agreement that designated any walkways, roads, etc. that WNC Outdoor Development, LLC created, the county would be able to use those areas as "Greenways", which would promote pedestrian connectivity through the project and ultimately, with additional work, would hopefully connect in with the downtown Dillsboro business district.

The project would comply with all local, state and federal regulations regarding the protection of the environment and the waterways. The project would not be designed to appeal only to rafters or paddlers, but also fisherman and folks who wanted to have a getaway by the river and enjoy four seasons of activity that the river could provide.

The Jackson County Business and Industry Advisory Committee had also worked on the project and gave it their highest recommendation and full support. The NC Economic Development Partnership had vetted the project and made recommendation to two of the grant agencies for funding, that they were applying for and they agree the project was well worth while and solid.

Kelly Custer, Owner of WNC Outdoor Development, LLC, stated he was happy to see so many folks at the meeting that cared about the community. Without question, they thought this was the highest and best use for the property and it was an exciting project for Dillsboro and the county. He was anxious to hear the comments and make sure they included them in the plan.

#### **PUBLIC COMMENTS:**

(a) Dan Harbaugh, Executive Director of Tuckasegee Water and Sewer Authority (TWSA), reiterated support for the project that TWSA had expressed in writing previously. Along with the anticipated benefits brought through the economic development project itself, there was an additional long term benefit for the community. Extension of water and sewer service associated with the project on the south side of the river would provide their agency a starting point for possible extension water and sewer service in the community along the south side of the river, Mockingbird Lane towards Highway 441 South.

(b) Larry Hinton, Chairman of the Jackson County Chamber, stated the executive committee expressed their support for WNC Outdoor Development, LLC's business endeavors in Dillsboro. They felt the project would enhance an existing asset they had always supported, which was water adventure on the Tuck. They believed the project would increase awareness of all of the businesses in the area and in Western North Carolina, as well as creating new jobs and potentially bringing thousands of visitors to the area.

(c) Gayle Woody of Dillsboro, stated she was not in any way opposed to the project, but wanted them to keep in mind that the river was a treasure. Once the access to the river was lost, it would be like other areas along the Tuckasegee where it was built up. They needed to be very careful that they were assured that the access to the river on both sides was available to all citizens of the county. If they could carry out the project that way and assure that they had access to walk along and enjoy the river, in writing, then she was 100% backing of the project.

(d) Edith Peden of Dillsboro, stated she had two concerns about the project, one was the traffic. The intersection of Mockingbird, Macktown Road and 441, seemed unsafe. Also, she was concerned about the Blue Herons. She asked that they incorporate protection for the birds into their business plan and philosophy. She thought it could all coexist.

(e) Brenda Ander stated she was a member of Dogwood Crafters for 40 years in Dillsboro. This project would not just be for Dillsboro, it would be for the entire county. Visitors would eat, sleep, play and visit the county. For the sake of the county and keeping all businesses in the county, she was in favor of the project moving forward.

(f) Karen Davis of Dillsboro, stated the project was perceived as a new venture in the county, but commercial rafting had been going on in the county for 30 years. She and her husband owned Smoky Mountain River Adventures and had been in business for five years, contributing to sales tax, job creation and tourism. Their concern with the project was that the access to the river was already very limited. With the new rafting venture, where would they take out of the river? When thinking about this project, she would also ask the Commissioners to consider, the expansion of Dillsboro Park or remove the dam so that it was accessible to rafting companies and local boaters.

(g) T.J. Walker of Dillsboro, stated he was concerned with growth management and best practices on the river. Noise, lighting and safety were also issues to consider. The bridge connecting to town should be done on the front end of the project providing accessibility of guests to town. Also, fishing access to the public should remain.

(h) Valerie Harrison of Dillsboro, stated she was on the Town of Dillsboro Planning Board and she watched many businesses struggle through the recession and many were lost. She thought the project would help to bring new life and hope into the Dillsboro area and also to the county as a whole. This would increase property values and she felt strongly about the job opportunities for young people. She did have a concern about traffic needs and safety.

(i) Mike Potts, owner of Nancy Tuts Christmas Shop in Dillsboro, stated he and his wife had been active in the community for the last 23 years. The question had always been what could be done with Scotts Creek or the river to bring tourism into the county. He thought the venture would totally enhance business in Dillsboro and the county. They always tried to determine how to get traffic to slow down and turn off 441 to Dillsboro and he thought it was a great opportunity.

(j) Rick Gorton of Dillsboro, stated he loved the Tuck and that they did need access to the river for locals in Dillsboro. Also, they were in need of a first aid station on the river as safety was important.

(k) Buddy Parton of Dillsboro, stated he was a resident of Dillsboro Crossing and his main concern was about traffic. He was 100% behind doing the project as it would be great for Dillsboro and the county. He was also excited about the potential for property values to increase. He thought the project would help give people a reason to stop off in Dillsboro.

(l) Steven Reinhold stated he owned a small hiking and backpacking business hoped to benefit from the project. He owned the Appalachian Adventure Company and he had the pleasure of traveling all across the United States. Many communities had built themselves up based on their outdoor recreation opportunities. He wanted to express his excitement about the project as it could add to the outdoor market in the area.

(m) Tom Hughes of Dillsboro, stated he had lived in the county for the past 15 years and had worked in the whitewater rafting industry for about 20 years. He was not as excited about this being a viable industry and a tourist draw. He read through the agreement and had a number of concerns. He did not see anywhere in the agreement about a play-way, a greenway or mountain bike trail for locals. Also, how would they guarantee ten jobs if vendors would be running the activities? The Tuck was a down fed river and it was at its lowest level in years. How can they guarantee ten jobs if the drought continued?

(n) Steven Edwards of Rabun County, stated he worked in Jackson County and had been a rafting guide for 20 years and rafters did not have money. Also, he had a philosophical problem with a private citizen receiving taxpayer dollars while road signs were missing in the county - they could not do basic infrastructure and this was on the shoulders of local government, but they were giving \$1 mil to a private individual.

(o) Paul Ingram of Dillsboro, stated he owned property in the area affected by the dam removal. He thought it was an interesting idea and could see a lot of possibilities for it. He wanted to get more details regarding traffic and people being on his property.

(p) Julie Thorner of Swain County, stated she owned a business in Swain County. She specialized in marketing for adventure travel and outdoor recreation. As a former raft guide, she looked at the proposal and she thought Dillsboro had an opportunity to do something special with the land on the river. But, what she saw in the proposal was a sweetheart deal for one company to make an adventure park. These were not new things. Rafting was a big industry in the community, but it was a dying industry. Adventure parks were new and exciting, but people needed a certain amount of fitness to participate. Also, they had some key problems with traffic that they need to think about. Making sure people could walk to the Dillsboro was critical and she saw no opportunity to protect the use of the resource for all of the other residents.

(q) Chelsea White of Dillsboro, stated her driveway was off Mockingbird Lane. She was not opposed to the idea and she was excited for the economic opportunities this could bring to Dillsboro, if approached correctly and the concerns were addressed with access, etc. Also, she wanted to make sure the project did not impose on the community in any way with traffic, etc.

(r) Roger Clapp stated he worked with a volunteer group, the Watershed Association of the Tuckasegee River. He hoped that if Mr. Custer became the owner of the adventure park, he would think about water quality issues he may be confronted with. One issue was too much mud in the river also there was fecal coliform in two creeks, from time to time, Scotts Creek and Savannah Creek. They would also need to work out with Duke on their set water releases.

(s) Steve Bennett of Dillsboro, stated he lived by the CJ Harris Landing and was 100% behind the project. He moved there three years ago for the fishing and felt the river was underutilized. His concern was the speed limit on North River Road. He would like to see the speed limit enforced, access to town to be improved and better lighting at night. Also, he thought a two year completion time instead five years for the project would be better.

(t) Eric Myers stated he believed that outdoor recreation was an outstanding use for the property. The traffic issue did need be addressed at the end of the project. He recommended placing a restriction on the property to be used for a water dependent purpose going forward after the ten year agreement.

There being no further public comments, Commissioner Elders moved that the public hearing be adjourned. Commissioner Mau seconded the Motion. Motion carried.

Attest:

Approved:

---

Angela M. Winchester, Clerk

---

Brian Thomas McMahan, Chairman