

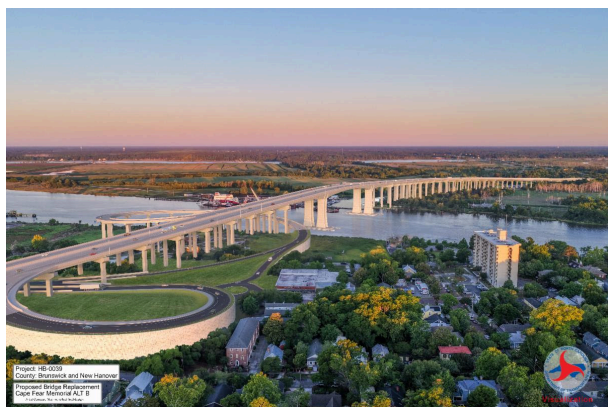


**BUSINESS
ALLIANCE**
FOR A SOUND ECONOMY

August 2026 Advocacy Update

The Business Alliance for a Sound Economy (BASE) is the collective advocacy voice for over 10,000 business and trade association members and 70+ businesses across southeastern North Carolina. BASE marshals its coalition to advance smart and sustainable growth, capital investment, economic prosperity, and quality of life.

Cape Fear Memorial Bridge Environmental Review Moves to Public Comment



The Federal Highway Administration (FHWA) has approved NCDOT's Environmental Assessment (EA) for the **Cape Fear Memorial Bridge replacement** for public release and review, moving the project into an important stage of the federal environmental process.

The assessment was prepared under the National Environmental Policy Act (NEPA), which requires federal agencies to evaluate the potential environmental and community impacts of major projects, consider reasonable alternatives and provide opportunities for public input before key decisions are made.

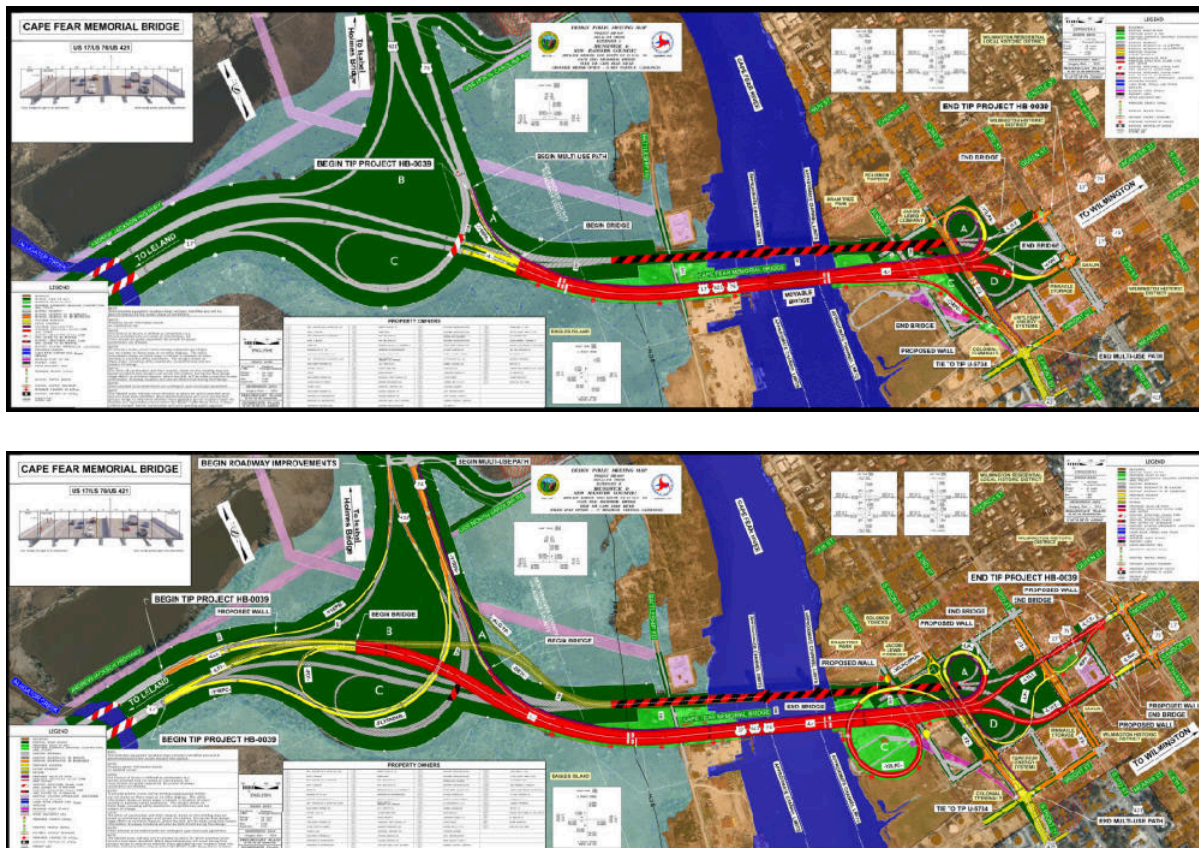
The EA evaluates two remaining alternatives: Alternative A, a movable-span bridge providing 65 feet of clearance when closed and 135 feet when raised, and Alternative B (*NCDOT rendering pictured above*), a fixed-span bridge providing 135 feet of clearance along with additional interchange improvements. An earlier 100-foot fixed-span alternative was eliminated from consideration after the U.S. Army Corps of Engineers and U.S. Coast Guard determined that a new bridge must provide at least 135 feet of vertical navigation clearance. The Army and Coast Guard deemed a lower bridge as inadequate for potential access up river.

The release of the EA begins the formal public review period; it does not constitute approval of either alternative or selection of a preferred alternative. NCDOT will hold public hearings **September 14 at Cape Fear**

Community College in Wilmington and **September 15 at the Leland Cultural Arts Center**. Doors open at 4:30 p.m., with formal hearings beginning at 6 p.m. Written and other **comments may also be submitted through October 15** and will become part of the project record considered in selecting a preferred alternative.

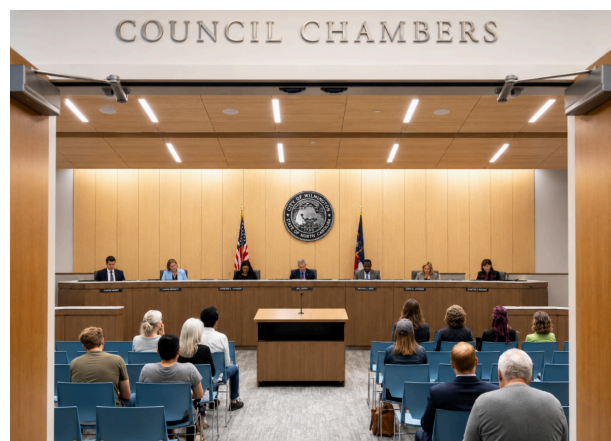
Following the comment period, NCDOT and FHWA will review public input along with the EA and additional technical and agency considerations before moving toward selection of a preferred alternative. That decision will establish the direction of the project as it advances through the remaining federal environmental review and permitting process.

Pictured Below: NCDOT renderings of the 65-to-135-foot moveable span Alternative A (top) and 135-foot fixed span Alternative B (below).



Wilmington bridge resolution risks years of progress

For years, Wilmington City Council's position on the Cape Fear Memorial Bridge has been consistent: the bridge needs to be replaced, it should be replaced without tolls, and with minimal impacts to surrounding residents and businesses. **Resolution R2** on the September 2 Council meeting agenda represents a significant departure from that position and raises three serious concerns.



First, it contradicts the City's longstanding position that the bridge needs to be replaced.

Replacement has been front and center in the City's intergovernmental agenda and several Council resolutions citing the bridge's functional obsolescence, need for greater capacity, and supporting efforts to secure \$327 million in state and federal funding for a replacement structure.

Resolution R2 departs sharply from that record by questioning whether replacement is necessary at all and suggesting the existing bridge could be rehabilitated and maintained. If new information warrants such a fundamental change in the City's position, that case should be made clearly (and shared with NCDOT). Otherwise, Council is being asked to contradict a position it has publicly advanced for years and introduce confusion into the public record.

Second, the resolution risks undermining the collaborative process that has brought the project this far. Major transportation decisions involve local governments, the WMPO, NCDOT, state and federal agencies, and funding partners. Established processes bring these interests together because no single participant controls the resources, regulatory decisions or appropriations necessary to deliver a project of this magnitude.

For many years, the City's representatives on the WMPO Board have effectively advocated for Wilmington while working with regional and state partners. Current representatives Mayor Pro Tem Kevin Spears and Councilmember Cassidy Santaguida have been true to that tradition, asking pointed questions, clearly communicating the City's concerns, and working in good faith toward the best achievable alternative. These processes seldom produce an ideal result for every participant. Their purpose is to reconcile competing wishes to approximate the broader public interest.

Resolution R2 explicitly elevates Wilmington's interests above those of its regional partners and the WMPO's commitment to regional transportation planning, an unfortunate departure from the City's tradition of regional leadership. Wilmington should continue advocating aggressively for its interests within the process. But there is a fundamental difference between working the process to improve the outcome and seeking to upend it because the outcome may not be the City's preferred one.

Third, the resolution asks Council to formally endorse comments it has not yet seen. If those comments will represent the City's official position, Council should know what they say before authorizing their submission, particularly when they may depart from long-established City positions.

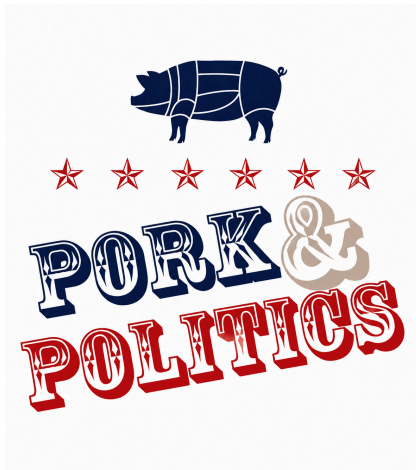
The consequences could be significant. The project has already secured \$327 million toward replacement, as the cost estimate for the less expensive alternative has risen from \$485 million to more than \$1 billion over just a few years. Reopening previous decisions and potentially undermining established processes creates unnecessary (and very real) risk to those funds already secured. Absent a seismic shift in state and federal transportation appropriations and processes, **the most probable result is the same bridge, at a higher price, with potentially less funding than exists today.**

It also risks public confusion. After years of affirming the need for replacement and participating in the process advancing it, reversing course without new evidence raises an obvious question: which version is the public supposed to believe? It risks **undermining the City's credibility and confidence in a process it has long supported.**

This is not about tolling, bridge height, footprint, or fixed versus movable span. Those are legitimate issues for which a thorough process exists to deliberate. This is about basic good governance, respecting established processes, affirming the importance of regionalism for growth planning, and preserving the partnerships necessary to achieve meaningful results for this region.

Regionalism is not simply agreeing to work together when everyone agrees. It requires working through differences while preserving the partnerships our region depends on to secure funding, build infrastructure and address the challenges of growth. We should be strengthening those relationships, not weakening them.

BASE will advocate that members of Council carefully review Resolution R2, consider these consequences, and determine whether a resolution is even warranted. Priority should be placed on protecting funding already secured for the bridge replacement. Wilmington should vigorously advocate for its interests, but do so within and with respect for the regional transportation planning process. Interested BASE members may also wish to contact members of City Council directly before Tuesday's meeting to share their perspective.



Cape Fear REALTORS is hosting its pre-election **Pork 'N Politics on Thursday, September 10, from 4:30-6:30 p.m. at The Terraces on Sir Tyler in Wilmington.** Co-sponsors this year include Wilmington-Cape Fear Home Builders Association, the Greater Wilmington Chamber of Commerce, and BASE.

The event provides opportunity to hear from and speak with several candidates and elected officials. All New Hanover County candidates for the General Assembly, Board of Commissioners and Board of Education have been invited, with many already confirming their attendance. This is an invitation-only event for members of sponsoring organizations. Food is provided by Mema's Chick'n & Ribs. The event may reach capacity, so register soon if you wish to attend. **BASE members can [register here](#).**

Wilmington Cape Fear Home Builders Assn meets with Congressman David Rouzer

Leaders and members of the Wilmington-Cape Fear Home Builders Association recently met with Congressman David Rouzer during the August congressional district work period. The meeting provided an opportunity to discuss federal action on issues affecting homebuilding, development, workforce concerns, regulatory and permitting issues, and related matters like the long-awaited final rule on Waters of the United States.



The **2026 Southeastern Land Conference** will be held **September 24-25 at The Terraces on Sir Tyler in Wilmington.** It is hosted by the Carolinas Chapter of the REALTORS® Land Institute for land brokers, investors and industry professionals to examine trends shaping land use and development across the Southeast.

Sessions will cover zoning and entitlements, energy and data centers, environmental mitigation, wastewater, property rights, technology, capital flows, workforce and infrastructure. Speakers include representatives from the REALTORS® Land Institute, National Association of REALTORS®, Southeastern Wind Coalition, LandGate and other organizations. A full schedule and **[registration is available](#)** on the conference website.





HB 1222 begins reshaping Brunswick County development review

Brunswick County's first special-use permit proceeding under [HB 1222](#) quickly demonstrated some of the new law's practical consequences. The legislation passed during the previous short session, requiring a number of developments including all SUPs to receive record votes from the Board of Commissioners. The Salty Paws Dog Daycare application, a change of use SUP for a modest commercial structure, triggered a Traffic Impact Analysis (TIA) requirement per the new law despite fairly minimal traffic generation. The application did not include a TIA, which staff saw as noncompliant with the new law. Commissioners questioned whether the expense of a TIA was proportionate to the project's impact. Even the simplest of TIAs can run upwards of \$10,000. Ultimately, the board voted to ignore the new law's provision and approve the SUP on a 4-1 vote.

The County is now revising its development ordinances to align with the new law. First, staff is amending the existing Unified Development Ordinance (UDO) with new processes. Those changes are scheduled for the **Planning Board in September** and the **Board of Commissioners in October**.

The broader rewrite of the county's development code, which will become **the new Land Development Ordinance (LDO)**, is expected to follow about a month later, reaching the Planning Board in October and commissioners in November. That schedule has become something of a moving target, dropping farther and farther back like a rookie quarterback under pressure. The rewrite was originally expected several months ago, with HB 1222 and other statutory changes contributing to the delays.

The Salty Paws example illustrates one of several practical challenges in HB 1222 that could impose significant new costs and uncertainty. Others may become apparent as the County works through changes required across its development ordinances. Addressing them will likely require both adjustments to County processes and legislative fixes to the law itself.



Brunswick water capacity expansion nears completion

Brunswick County's **Northwest Water Treatment Plant** expansion is expected to materially increase available treatment capacity after years of rapid growth and frequent summer water restrictions. The project doubles treatment capacity from 24 million to 48 million gallons per day. County updates indicated expanded capacity was expected to begin becoming available during August, with the new low-pressure reverse-osmosis system expected to be operational by the end of 2026.

The timing matters. Exceptional drought and peak summer demand prompted Stage 3 restrictions earlier this summer before conditions improved enough for the county to move back to Stage 2 on August 17. The plant expansion represents the larger long-term response: adding system capacity to serve a county that continues to add residents and development at a rapid pace.

***Pictured above:** new reverse osmosis filter skid at Brunswick County's Northwest Water Treatment Plant*

Leland continues phased UDO modernization

Leland is continuing a comprehensive modernization of its development regulations, consolidating provisions into a unified code and reviewing draft articles sequentially through the Planning Board and Town Council. Completion is currently expected in spring 2027. BASE will continue monitoring changes affecting residential development, subdivisions, review procedures and other standards with material effects on development cost or predictability. BASE members who wish to be added to an email list for UDO chapters as they are released should email Jerod at jerod@ncbase.org.



Brunswick sewer permitting remains slow

Sewer extension permits continue to be issued in Brunswick County, but the process is slow. The County largely **moved away from DEQ's Fast-Track permitting process** as new variance requirements have complicated permitting for line extensions serving systems that await approval for treatment-capacity expansions. Variances and permits are being issued, but the review process is much slower and more drawn out than previously.

The critical path for the County now is securing state permits to expand treatment capacity at the Northeast and West Regional wastewater treatment facilities. Submissions and applications are awaiting action from various regulatory bodies. The West Regional is the most immediate concern, with increasing flows approaching existing treatment capacity within the next two to three years, leaving a tight window between available capacity and completion of the planned expansion.

***Pictured above:** West Brunswick Regional Wastewater Treatment Facility.*



Beaufort UDO rewrite moves forward on a narrower track



Beaufort continues work on its **Unified Development Ordinance**, but state restrictions on local downzoning have affected the scope and sequencing of the rewrite. The Town had been developing a Coastal Resilience Overlay District tied to the Non-Intensification Zone identified in its Comprehensive/CAMA Land Use Plan, which conflicted with downzoning restrictions. Town commissioners elected to move forward with portions of the UDO not implicated by those restrictions, including subdivision and flood-damage-prevention regulations.

Flood Damage Prevention (Article 6). **Proposed Article 6** largely carries the Town's existing flood ordinance into the new UDO, but also includes substantive revisions, many recommended by North Carolina Emergency Management. document.pdf The changes generally move in three directions: broader and tighter coastal-zone regulation, particularly additional requirements within Coastal A Zones; more engineering and certification requirements for structural fill, accessory structures, tanks, pools, breakaway walls, floodproofing and elevation; and additional administrative checkpoints and documentation. From a development standpoint, provisions worth watching include a new pre-construction elevation-certificate requirement, accessory-structure size thresholds, structural-fill restrictions, expansion of Coastal A Zone standards, a prohibition on recreational vehicles in Coastal High Hazard and Coastal A zones, and more extensive floodproofing documentation requirements.

Subdivision Regulations (Article 5). A redline of proposed Article 5 is not yet publicly available but a **community review draft** is. The summary of proposed changes generally describes revisions involving open-space and conservation requirements, tree preservation, sidewalks and other pedestrian/bicycle facilities, protection of archaeological resources, and responsibility for long-term maintenance of required improvements and open space. Development stakeholders specifically identified subdivision bonding and surety requirements as an area warranting close review. From a housing cost standpoint, overly cumbersome setbacks, open space, and tree mitigation can rapidly increase the cost of housing.



Jacksonville ETJ transfers to Onslow County

Session Law 2026-56 eliminates Jacksonville's remaining extraterritorial planning jurisdiction (ETJ) and transfers affected civilian properties to Onslow County's jurisdiction for land use regulation. The county **released a proposed zoning map** August 27, with an informational **community meeting on September 8**, followed by **Planning Board review on September 17** and commissioner action in October.

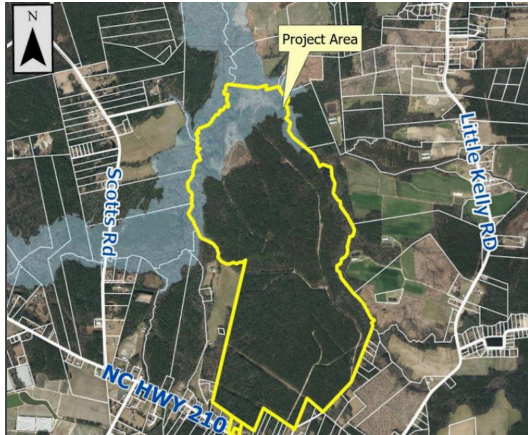


Jacksonville boundaries expand to include military installations

The same state law adds specified portions of Camp Lejeune, MCAS New River, and the Marine Corps Special Operations Command property at Stone Bay to Jacksonville's corporate limits. The law expressly preserves federal control over military operations and does not give the city authority over federal land-use decisions.

The legislation follows earlier efforts in the General Assembly specifically targeting Jacksonville's ETJ. For property owners and developers in the affected area, the immediate issue of interest is the transition from city to county zoning, permitting, and development standards.

The change better aligns Jacksonville's municipal corporate limits with the military installations, which maintain public-service relationships with the city. For land-use purposes, the companion elimination of the city's ETJ poses more immediate effect on civilian property.



Pender Planning Board recommendation at odds with new comprehensive plan

The Pender County Planning Board voted 3–1 to recommend denial of a roughly 630-acre, 1,023-home project near Rocky Point despite a staff recommendation for approval. Various board members voiced concerns including roads, schools, emergency services and utility capacity. In reality, even fully built out, the development would not push any schools over

capacity and would be a boon for the county's struggling utility, while growing the county's tax base significantly.

The board's opposition is particularly difficult to reconcile with Pender County's newly adopted comprehensive plan. The project matches the very type and location of growth envisioned by the plan, adding needed housing while helping unlock commercial potential in areas identified as future development nodes.

It also presents an important opportunity for Pender County Utilities, a system hampered by insufficient scale while facing significant long-term infrastructure needs. More than 1,000 new homes could expand the utility's residential customer base by nearly 10 percent, adding substantial new ratepayer revenue while also turning over new, modern infrastructure to the County.

The board's recommended denial underscores the importance of ensuring that planning boards and elected officials understand the fundamentals of long-range planning and their role in implementing it. Pender County has just completed a comprehensive process to determine where and how it wants to grow. A comprehensive plan has little value if projects that implement it are rejected because of the very growth pressures the plan was designed to manage.

Planning establishes where growth should go; land-use decisions are what make that vision meaningful. This project fits the County's newly adopted vision, expands housing supply, supports future commercial development and provides precisely the customer growth its utility system needs. Commissioners are scheduled to consider the rezoning September 21.

Pender's growth initiative: actions will matter more than resolutions

Pender County Commissioners unanimously adopted an "Infrastructure and Controlled Growth Initiative" directing staff to develop a long-range framework for water, wastewater, stormwater, emergency services and other growth-related infrastructure. Staff is expected to return with proposed scope, staffing and funding needs.



In many respects, the resolution commits Pender County to doing what a growing county should already be doing: planning for growth and ensuring infrastructure and public services are prepared to accommodate it. That has too often been missing in Pender, so for now BASE is in “believe it when we see it” mode. The upcoming Rocky Point development hearing will provide an early test. If Commissioners reject a project that perfectly aligns with the County’s newly adopted comprehensive plan, expands the utility customer base and supports infrastructure in an identified growth area, it will be difficult to view resolutions like this as anything more than window dressing.

The resolution also warrants a reminder that North Carolina law does not allow local governments to impose residential development moratoria for the purpose of developing or adopting new plans or development regulations ([N.C.G.S. § 160D-107](#)). State law also provides permit choice, allowing applicants to proceed under the rules applicable when their application was submitted when regulations change during review, without being required to wait for the amendment process to conclude ([N.C.G.S. § 143-755](#)). These protections reflect the General Assembly’s stated objective of providing “reasonable certainty, stability, and fairness” in the development regulation process ([N.C.G.S. § 160D-108](#)).



Pender County Utilities needs growth

Pender County continues wrestling with how to expand its water and sewer system. As of June, 1,552 residents had paid advance water tap fees for service that was never extended, and the County is now considering a broader refund policy.

Part of the problem is scale. Pender Water & Sewer currently serves only about 11,000 residents across its six water and sewer districts, leaving a relatively small customer base to support an expensive, capital-intensive system. Research on water utilities has consistently identified **economies of scale as an important advantage** for smaller systems, with growth allowing the substantial fixed costs of infrastructure and operations to be spread across more customers and **generally improving the economics of the system**.

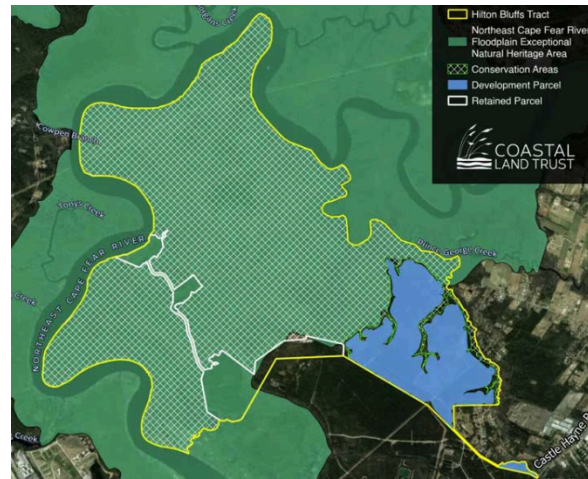
That makes the Planning Board’s recent 3–1 recommendation against the 1,023-home Rocky Point development especially concerning. The project fits the growth pattern established by Imagine Pender 2050, yet inadequate infrastructure was cited as a reason to oppose it. That creates a vicious cycle: rejecting growth for fear of infrastructure strain while turning away the new customers, revenue and infrastructure needed to improve it.

Pender County adopted the Imagine Pender 2050 Comprehensive Land Use Plan in November 2025, less than a year ago, identifying where and how growth fits within the County’s long-term vision. The

Planning Board and County Commissioners now need to make land-use decisions consistent with that plan. That is especially important for a utility system that needs predictable customer growth and revenue to support future investment. Rejecting appropriately located growth because of generalized fear will only perpetuate the problem, weakening the utility's financial capacity while constraining the housing, commercial development and tax base needed to support Pender County's future.

Hilton Bluffs appeal tests by-right development in New Hanover County

The continuing appeals over Hilton Bluffs raise policy and procedural questions extending well beyond this Castle Hayne development. The project is by-right under existing zoning and was approved administratively through New Hanover County's technical review process. It required neither rezoning nor discretionary approval by the Board of Commissioners.



North Carolina law allows parties with standing to challenge administrative decisions when they believe development regulations have been incorrectly applied. Those rights are important but come with defined requirements for standing, evidence, and grounds for overturning an administrative decision. Those safeguards matter. If appeals become a means of litigating whether an otherwise compliant project should occur rather than whether regulations were correctly administered, by-right development can effectively become another discretionary approval process.

One of the two Hilton Bluffs appeals has been resolved following changes to disputed roadway connections. A separate one brought by the Southern Environmental Law Center remains pending before the **New Hanover County Board of Adjustment on September 22**, including challenges to the County's application of its performance-residential standards.

That challenge is noteworthy because Hilton Bluffs demonstrates the public benefit those standards can provide. Planned homes are clustered on former timber farmland while the property's old-growth forest is protected under a conservation agreement. **Performance residential standards provide flexibility to accommodate development while preserving environmentally valuable land.**

Challenging the standards that helped produce that outcome raises an important question: Is the objective to protect environmentally sensitive land, or to prevent development even when development is designed to preserve it? Eroding these tools could ultimately make such conservation outcomes more difficult to achieve.

The broader issue is not whether Hilton Bluffs should be permitted by right; the existing zoning already answers that question. It is whether administrative appeals remain a mechanism for correcting legitimate errors or become an additional layer of discretionary review and delay for otherwise compliant development. How the county and ultimately the courts answer that question bears watching.

Alternative delivery hastens Wrightsville Beach bridge replacements



NCDOT is using the Construction Manager/ General Contractor (CM/GC) alternative delivery method for three Wrightsville Beach bridge replacements, bringing the contractor into design and sequencing earlier. The approach is expected to move completion from roughly 2031 to 2029, significantly reducing the potential overlap with the **nearby Eastwood Road/Military Cutoff Road** grade-separated intersection improvement project (pictured above).

NCDOT also noted that most lane closures for the Eastwood/Military Cutoff project are planned at night, important context when evaluating concerns about simultaneous construction.

Simultaneous construction has been the primary concern raised by opponents of the Eastwood/Military Cutoff project. In reality, coordinating the sequencing and delivery of nearby projects is part of NCDOT's planning process, and the accelerated bridge schedule further undercuts the narrative that the projects would create years of overlapping disruption.

Also important is a **new statewide provision for local governments to reimburse sunk project costs** when local action prevents delivery of a previously-approved project funded through the Statewide Mobility tier. Eastwood/Military Cutoff was funded through that tier, reflecting its statewide scoring, priority and transportation need. **Approximately \$19.9 million** has already been expended on project development, and the project is now well beyond its earliest planning stages.

Were project opponents to have their way, abandoning this fully funded, high-priority transportation improvement at this stage would leave local taxpayers on the hook for millions in sunk project-development costs, just to leave the community with an increasingly congested intersection and no means to improve it.

NHC and Wilmington put capital to work for affordable housing development

New Hanover County and the City of Wilmington recently approved two housing investments using different financing models. The county approved a \$2 million investment with a private developer for a 236-townhome development with all units rent-restricted for ten years to households at 60%–90% of area median income. The county is structured to receive 5% annual interest and repayment of principal after ten years, showcasing the power of private sector to deliver affordable units in a highly efficient manner. (Pictured above: *Proximity Blue Clay conceptual site plan*)



Wilmington separately approved \$2 million in gap financing for Dawson Lofts II at Jervay, an 86-unit affordable housing project serving households from 30%–80% of area median income. The approximately \$28.7 million project is expected to combine local funding with Low-Income Housing Tax Credits and project-based rental assistance.

New Hanover school bond heads to voters in November

The \$320.5 million New Hanover County Schools bond referendum will be on the November 3 ballot, supported by a broad coalition that includes many organizations and community leaders within the BASE orbit. Strong public infrastructure is essential to maintaining an economic climate conducive to investment, and that includes public schools with the facilities and capacity to provide high-quality educational opportunities.



The bond follows an independent assessment identifying \$491.2 million in districtwide capital needs, including \$176.5 million in past-due deferred maintenance. While the bond does not address the full need, it would begin by tackling critical projects, including a new Trask Middle School, replacement of Pine Valley Elementary, a new Riverlights Elementary, improvements at New Hanover High School, additional classrooms at Porters Neck Elementary and \$40 million in districtwide HVAC, infrastructure, safety and technology improvements.

The New Hanover Community Endowment has committed up to \$116 million over ten years toward debt service, helping hold the estimated tax impact to approximately \$5 annually per \$100,000 of assessed property value. That support also gives the county greater capacity to accelerate progress on the district's broader list of identified needs.

BASE supports the school bond as an important investment in New Hanover County's infrastructure and long-term competitiveness. The Greater Wilmington Chamber of Commerce is leading the campaign, with support from BASE, Cape Fear REALTORS® and other community partners. Those wishing to support the referendum campaign may contribute to the referendum committee [here](#).



August brings a few more General Assembly reforms

Several additional land-use and development measures that remained unresolved earlier this summer have now become law before the General Assembly broke huddle for the final time prior to the November election. These include:

Chapter 160D reforms included in the state budget: Permit Choice was expanded to qualifying rezoning applications, procedures for written administrative determinations were clarified, and changes were made to development appeals, standing and attorneys' fees.

SB 445 regulatory reforms: Site-specific vesting periods were extended from two years to five years, along with additional building-code, permitting and development provisions.

SB 445 housing provisions: The law includes residential flexibility in certain commercial districts and ADU reforms, but geographic and population limitations largely exclude southeastern North Carolina.

HB 162 parking & stormwater reg reg reform: Statewide limitations on certain minimum parking requirements and stormwater reforms were enacted, but the parking provisions include a coastal-area carveout that excludes the BASE counties.

Infrastructure remains unfinished business: The FUTURE NC Infrastructure Act has not crossed the finish line yet, leaving long-term planning for water, sewer, transportation and other growth-related infrastructure financing a major issue heading into 2027.

A future update will include a full retrospective on the previous session's reforms.

Coastal Resources Commission reviews hardened shoreline structures

The N.C. Coastal Resources Commission met August 26-27 in Manteo, with the state's longstanding restrictions on oceanfront hardened structures among the significant policy issues under discussion. The Commission is considering a recent Science Panel report examining seawalls, revetments, groins, breakwaters and other erosion-control measures as it evaluates whether changes to North Carolina's current approach are warranted.



No policy change was adopted at the August meeting. The issue is expected to remain before the Commission, and members of the public will have an opportunity to comment at the CRC's next meeting. BASE will continue following the discussion given its implications for coastal property, infrastructure and shoreline management. BASE members with an interest in the matter should reach out to Jerod at jerod@ncbase.org.



WOTUS rule remains unresolved

EPA and the Army Corps of Engineers have not yet finalized a new definition of "Waters of the United States" (WOTUS) intended to more fully align federal regulations with the Supreme Court's May 2023 *Sackett* decision. The proposed rule would clarify several longstanding questions affecting federal jurisdiction, including what constitutes a "continuous surface connection" and "relatively permanent" water, as well as the treatment of ditches and other drainage features.

The agencies received public comment on the proposal last winter but have yet to issue a final rule. The continued uncertainty is significant for landowners and development projects because WOTUS jurisdiction can determine whether federal permitting, including a Section 404 permit, is required. The central need remains a durable, *Sackett*-compliant rule that also restores greater predictability for property owners and projects awaiting jurisdictional determinations.

The July Advocacy Update included a more detailed discussion of the WOTUS rulemaking and its implications. Observers think a final rule may not happen until Q4 2026 or Q1 2027 at this point, which would then need several months to promulgate into agency guidance before becoming operative.

ROAD to Housing Act passage shifts focus to implementation

The 21st Century ROAD to Housing Act is now law, bringing together more than 50 housing and banking provisions aimed at increasing housing supply, reducing regulatory barriers, improving housing finance and expanding housing options. The law includes tools related to local housing-supply frameworks, federal program modernization, environmental review, manufactured and modular housing and incentives for state and local housing reforms.

Passage is only the first step. Several provisions depend on federal rulemaking, program guidance or future appropriations. State and local governments can begin preparing by identifying development constraints, reviewing publicly owned land, examining HOME and CDBG procedures, developing potential projects and establishing baseline housing-production data. Implementation will determine how much of the law's potential translates into additional housing production. A future update will include a more exhaustive look at the law's provisions and next steps for related advocate efforts.



New faces in local government and association leadership from across the region

Pender County / WMPO: Following Pender County Commissioner **Brad George's** resignation, Commissioner **Jimmy Tate** is filling Pender County's seat on the Wilmington Urban Area Metropolitan Planning Organization Board previously held by George. **Beth Burns** will be sworn in to complete George's term on the Board of Commissioners. The county GOP's executive committee selected Burns by one vote over **Shayne Frey**, its nominee for the general election. Burns and the party mistakenly believes she could hold the commissioner position and retain her school board seat, which she cannot and will therefore resign and create a vacancy there.

City of Wilmington. The city's recent organizational restructuring created several leadership positions relevant to development and infrastructure. **Suzanne Russell** became Director of Compliance, overseeing functions including permitting, code enforcement and zoning administration (which are no longer housed in the Planning Department). **Susan Habina-Woolard** became Transportation Director, overseeing traffic engineering, development design review, streets, and stormwater. **Robin Slade** joined the city as Director of Asset & Property Management.

Wilmington Planning Commission. **Chris Bauer** of Ci Design and **Stephanie Lanier** of Lanier Property Group have joined the Wilmington Planning Commission, while **Richard Collier** was reappointed to another term. BASE also thanks **John Lennon**, Vice Chair of the BASE Board, for concluding two full terms of service on the Commission.

Carteret County Association of REALTORS. **Stephanie Deans** joined the association as its new Association Executive at the end of June, succeeding longtime Association Executive Sheree Higgins.

Cape Fear REALTORS. **Stephanie Bloodworth** has departed Cape Fear REALTORS® to become CEO of the Durham Regional Association of REALTORS® effective September 1. CFR has hired **Donna King** as its new Chief Operations Officer and Executive Director of the REALTORS® Commercial Alliance of Southeastern North Carolina.

A note to members...

Thank you for your continued partnership with BASE, the only organization in southeastern North Carolina solely devoted to advocating for public policies that support and sustain good growth and economic vitality.

This is a critical moment in the growth arc of southeastern North Carolina and the work of BASE has never been more important. Our mission is not only to advocate for economically sound policy solutions—from the courthouse to the state house, and from city halls to the nation's capitol—but also to educate and inform the public on the vital importance of growth and development to this region's future prosperity and quality of life.

This is our time to contribute mightily to shaping a better and more prosperous future for southeastern North Carolina and for the industries driving it forward. Help expand our ranks and grow our coalition by recruiting others to join BASE. Together, we can and will keep this region's economic engine roaring and ensure that its best days are yet to come.



-Jerod Patterson, CEO

The Business Alliance for a Sound Economy | [3801-5 Wrightsville Ave](#) | [Wilmington, NC 28403 US](#)

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Zach Drennan <zach@pioneerstrategies.com>
To: Kelly Crosby <kelly@pioneerstrategies.com>

Mon, Aug 31, 2026 at 9:14 AM

----- Forwarded message -----

From: **Jerod Patterson** <jerod-ncbase.org@shared1.ccsend.com>

Date: Mon, Aug 31, 2026 at 9:13 AM

Subject: BASE August 2026 Advocacy Update

To: <zach@pioneerstrategies.com>



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The Business Alliance for a Sound Economy (BASE) is the collective advocacy voice for over 10,000 business and trade association members and 70+ businesses across southeastern North Carolina. BASE marshals its

Cape Fear Memorial Bridge Environmental Review Moves to Public Comment



The Federal Highway Administration (FHWA) has approved NCDOT's Environmental Assessment (EA) for the **Cape Fear Memorial Bridge replacement** for public release and review, moving the project into an important stage of the federal environmental process.

The assessment was prepared under the National Environmental Policy Act (NEPA), which requires federal agencies to evaluate the potential environmental and community impacts of major projects, consider reasonable alternatives and provide opportunities for public input before key decisions are made.

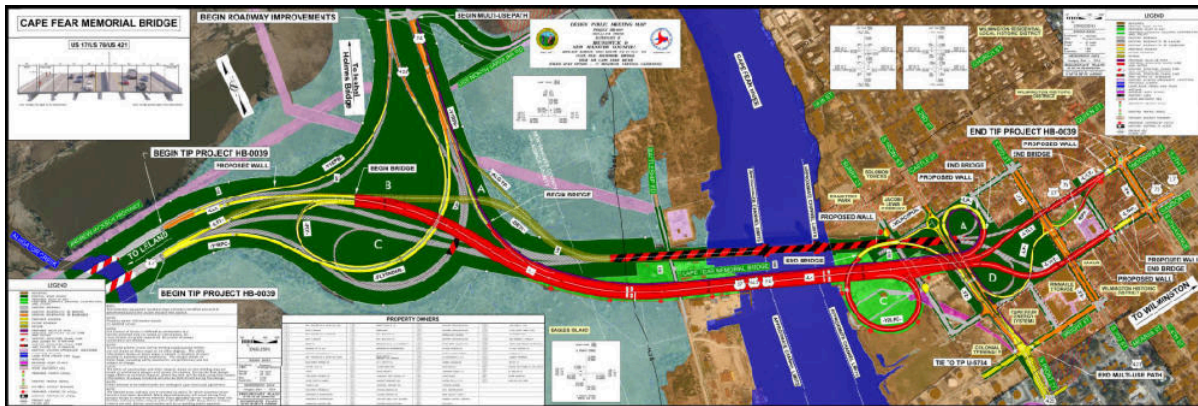
The EA evaluates two remaining alternatives: Alternative A, a movable-span bridge providing 65 feet of clearance when closed and 135 feet when raised, and Alternative B (*NCDOT rendering pictured above*), a fixed-span bridge providing 135 feet of clearance along with additional interchange improvements. An earlier 100-foot fixed-span alternative was eliminated from consideration after the U.S. Army Corps of Engineers and U.S. Coast Guard determined that a new bridge must provide at least 135 feet of vertical navigation clearance. The Army and Coast Guard deemed a lower bridge as inadequate for potential access up river.

The release of the EA begins the formal public review period; it does not constitute approval of either alternative or selection of a preferred alternative. NCDOT will hold public hearings **September 14 at Cape Fear Community College** in Wilmington and **September 15 at the Leland Cultural Arts Center**. Doors open at 4:30 p.m., with formal hearings beginning at 6 p.m. Written and other **comments may also be submitted through October 15** and will become part of the project record considered in selecting a preferred alternative.

Following the comment period, NCDOT and FHWA will review public input along with the EA and additional technical and agency considerations before moving toward selection of a preferred alternative. That decision will establish the direction of the project as it advances through the remaining federal environmental review and permitting process.

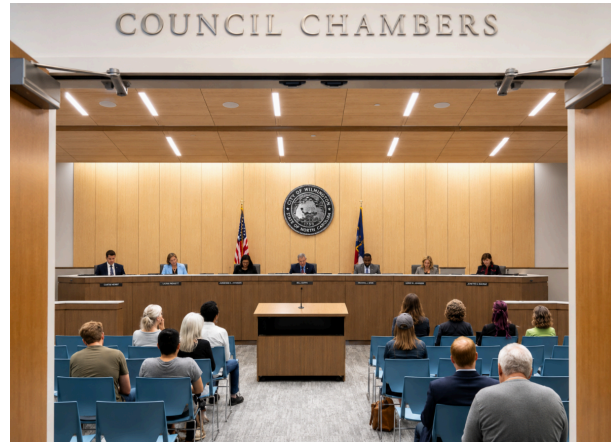
Pictured Below: NCDOT renderings of the 65-to-135-foot moveable span Alternative A (top) and 135-foot fixed span Alternative B (below).





Wilmington bridge resolution risks years of progress

For years, Wilmington City Council's position on the Cape Fear Memorial Bridge has been consistent: the bridge needs to be replaced, it should be replaced without tolls, and with minimal impacts to surrounding residents and businesses. **Resolution R2** on the September 2 Council meeting agenda represents a significant departure from that position and raises three serious concerns.



First, it contradicts the City's longstanding position that the bridge needs to be replaced.

Replacement has been front and center in the City's intergovernmental agenda and several Council resolutions citing the bridge's functional obsolescence, need for greater capacity, and supporting efforts to secure \$327 million in state and federal funding for a replacement structure.

Resolution R2 departs sharply from that record by questioning whether replacement is necessary at all and suggesting the existing bridge could be rehabilitated and maintained. If new information warrants such a fundamental change in the City's position, that case should be made clearly (and shared with NCDOT). Otherwise, Council is being asked to contradict a position it has publicly advanced for years and introduce confusion into the public record.

Second, the resolution risks undermining the collaborative process that has brought the project this far. Major transportation decisions involve local governments, the WMPO, NCDOT, state and federal agencies, and funding partners. Established processes bring these interests together because no single participant controls the resources, regulatory decisions or appropriations necessary to deliver a project of this magnitude.

For many years, the City's representatives on the WMPO Board have effectively advocated for Wilmington while working with regional and state partners. Current representatives Mayor Pro Tem Kevin Spears and Councilmember Cassidy Santaguida have been true to that tradition, asking pointed questions, clearly communicating the City's concerns, and working in good faith toward the best achievable alternative. These processes seldom produce an ideal result for every participant. Their purpose is to reconcile competing wishes to approximate the broader public interest.

Resolution R2 explicitly elevates Wilmington's interests above those of its regional partners and the WMPO's commitment to regional transportation planning, an unfortunate departure from the City's tradition of regional leadership. Wilmington should continue advocating aggressively for its interests within the process. But there is a fundamental difference between working the process to improve the outcome and seeking to upend it because the outcome may not be the City's preferred one.

Third, the resolution asks Council to formally endorse comments it has not yet seen. If those comments will represent the City's official position, Council should know what they say before authorizing their submission, particularly when they may depart from long-established City positions.

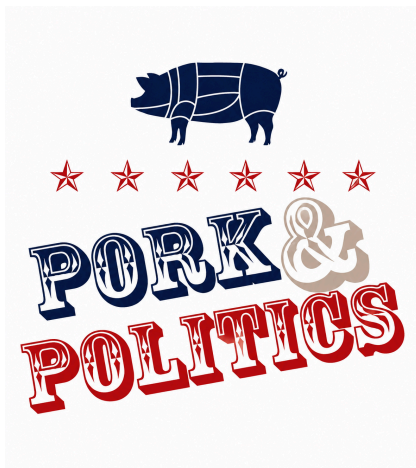
The consequences could be significant. The project has already secured \$327 million toward replacement, as the cost estimate for the lease expensive alternative has risen from \$485 million to more than \$1 billion over just a few years. Reopening previous decisions and potentially undermining established processes creates unnecessary (and very real) risk to those funds already secured. Absent a seismic shift in state and federal transportation appropriations and processes, **the most probable result is the same bridge, at a higher price, with potentially less funding than exists today.**

It also risks public confusion. After years of affirming the need for replacement and participating in the process advancing it, reversing course without new evidence raises an obvious question: which version is the public supposed to believe? It risks **undermining the City's credibility and confidence in a process it has long supported.**

This is not about tolling, bridge height, footprint, or fixed versus movable span. Those are legitimate issues for which a thorough process exists to deliberate. This is about basic good governance, respecting established processes, affirming the importance of regionalism for growth planning, and preserving the partnerships necessary to achieve meaningful results for this region.

Regionalism is not simply agreeing to work together when everyone agrees. It requires working through differences while preserving the partnerships our region depends on to secure funding, build infrastructure and address the challenges of growth. We should be strengthening those relationships, not weakening them.

BASE will advocate that members of Council carefully review Resolution R2, consider these consequences, and determine whether a resolution is even warranted. Priority should be placed on protecting funding already secured for the bridge replacement. Wilmington should vigorously advocate for its interests, but do so within and with respect for the regional transportation planning process. Interested BASE members may also wish to contact members of City Council directly before Tuesday's meeting to share their perspective.



Cape Fear REALTORS is hosting its pre-election **Pork 'N Politics on Thursday, September 10, from 4:30-6:30 p.m. at The Terraces on Sir Tyler in Wilmington.** Co-sponsors this year include Wilmington-Cape Fear Home Builders Association, the Greater Wilmington Chamber of Commerce, and BASE.



The **2026 Southeastern Land Conference** will be held **September 24-25 at The Terraces on Sir Tyler in Wilmington.** It is hosted by the Carolinas Chapter of the REALTORS® Land Institute for land brokers, investors and industry professionals to examine trends shaping land use and development across the Southeast.

The event provides opportunity to hear from and speak with several candidates and elected officials. All New Hanover County candidates for the General Assembly, Board of Commissioners and Board of Education have been invited, with many already confirming their attendance. This is an invitation-only event for members of sponsoring organizations. Food is provided by Mema's Chick'n & Ribs. The event may reach capacity, so register soon if you wish to attend. **BASE members can [register here](#).**

Sessions will cover zoning and entitlements, energy and data centers, environmental mitigation, wastewater, property rights, technology, capital flows, workforce and infrastructure. Speakers include representatives from the REALTORS® Land Institute, National Association of REALTORS®, Southeastern Wind Coalition, LandGate and other organizations. A full schedule and **registration is available** on the conference website.

Wilmington Cape Fear Home Builders Assn meets with Congressman David Rouzer

Leaders and members of the Wilmington-Cape Fear Home Builders Association recently met with Congressman David Rouzer during the August congressional district work period. The meeting provided an opportunity to discuss federal action on issues affecting homebuilding, development, workforce concerns, regulatory and permitting issues, and related matters like the long-awaited final rule on Waters of the United States.



HB 1222 begins reshaping Brunswick County development review

Brunswick County's first special-use permit proceeding under **HB 1222** quickly demonstrated some of the new law's practical consequences. The legislation passed during the previous short session, requiring a number of developments including all SUPs to receive record votes from the Board of Commissioners. The Salty Paws Dog Daycare application, a change of use SUP for a modest commercial structure, triggered a Traffic Impact Analysis (TIA) requirement per the new law despite fairly minimal traffic generation. The application did not include a TIA, which staff saw as noncompliant with the new law. Commissioners questioned whether the expense of a TIA was proportionate to the project's

impact. Even the simplest of TIAs can run upwards of \$10,000. Ultimately, the board voted to ignore the new law's provision and approve the SUP on a 4-1 vote.

The County is now revising its development ordinances to align with the new law. First, staff is amending the existing Unified Development Ordinance (UDO) with new processes. Those changes are scheduled for the **Planning Board in September** and the **Board of Commissioners in October**.

The broader rewrite of the county's development code, which will become **the new Land Development Ordinance (LDO)**, is expected to follow about a month later, reaching the Planning Board in October and commissioners in November. That schedule has become something of a moving target, dropping farther and farther back like a rookie quarterback under pressure. The rewrite was originally expected several months ago, with HB 1222 and other statutory changes contributing to the delays.

The Salty Paws example illustrates one of several practical challenges in HB 1222 that could impose significant new costs and uncertainty. Others may become apparent as the County works through changes required across its development ordinances. Addressing them will likely require both adjustments to County processes and legislative fixes to the law itself.



Brunswick water capacity expansion nears completion

Brunswick County's **Northwest Water Treatment Plant** expansion is expected to materially increase available treatment capacity after years of rapid growth and frequent summer water restrictions. The project doubles treatment capacity from 24 million to 48 million gallons per day. County updates indicated expanded capacity was expected to begin becoming available during August, with the new low-pressure reverse-osmosis system expected to be operational by the end of 2026.

The timing matters. Exceptional drought and peak summer demand prompted Stage 3 restrictions earlier this summer before conditions improved enough for the county to move back to Stage 2 on August 17. The plant expansion represents the larger long-term response: adding system capacity to serve a county that continues to add residents and development at a rapid pace.



Brunswick sewer permitting remains slow

Sewer extension permits continue to be issued in Brunswick County, but the process is slow. The County largely **moved away from DEQ's Fast-Track permitting process** as new variance requirements have complicated permitting for line extensions serving systems that await approval for treatment-capacity expansions. Variances and permits are being issued, but the review process is much slower and more drawn out than previously.

The critical path for the County now is securing state permits to expand treatment capacity at the Northeast and West Regional wastewater treatment facilities. Submissions and applications are awaiting action from various regulatory bodies. The West Regional is the most immediate concern, with increasing flows approaching existing treatment capacity within the next two to three years, leaving a tight

Pictured above: new reverse osmosis filter skid at Brunswick County's Northwest Water Treatment Plant

window between available capacity and completion of the planned expansion.

Pictured above: West Brunswick Regional Wastewater Treatment Facility.

Leland continues phased UDO modernization

Leland is continuing a comprehensive modernization of its development regulations, consolidating provisions into a unified code and reviewing draft articles sequentially through the Planning Board and Town Council. Completion is currently expected in spring 2027. BASE will continue monitoring changes affecting residential development, subdivisions, review procedures and other standards with material effects on development cost or predictability. BASE members who wish to be added to an email list for UDO chapters as they are released should email Jerod at jerod@ncbase.org.



Beaufort UDO rewrite moves forward on a narrower track

Beaufort continues work on its **Unified Development Ordinance**, but state restrictions on local downzoning have affected the scope and sequencing of the rewrite. The Town had been developing a Coastal Resilience Overlay District tied to the Non-Intensification Zone identified in its Comprehensive/CAMA Land Use Plan, which conflicted with downzoning restrictions. Town commissioners elected to move forward with portions of the UDO not implicated by those restrictions, including subdivision and flood-damage-prevention regulations.

Flood Damage Prevention (Article 6). **Proposed Article 6** largely carries the Town's existing flood ordinance into the new UDO, but also includes substantive revisions, many recommended by North Carolina Emergency Management. [document.pdf](#) The changes generally move in three directions: broader and tighter coastal-zone regulation, particularly additional requirements within Coastal A Zones; more engineering and certification requirements for structural fill, accessory structures, tanks, pools, breakaway walls, floodproofing and elevation; and additional administrative checkpoints and documentation. From a development standpoint, provisions worth watching include a new pre-construction elevation-certificate requirement, accessory-structure size thresholds, structural-fill restrictions, expansion of Coastal A Zone standards, a prohibition on recreational vehicles in Coastal High Hazard and Coastal A zones, and more extensive floodproofing documentation requirements.

Subdivision Regulations (Article 5). A redline of proposed Article 5 is not yet publicly available but a **community review draft** is. The summary of proposed changes generally describes revisions involving open-space and conservation requirements, tree preservation, sidewalks and other pedestrian/bicycle facilities, protection of archaeological resources, and responsibility for long-term maintenance of required improvements and open space. Development stakeholders specifically identified subdivision bonding and surety requirements as an area warranting close review. From a housing cost standpoint, overly cumbersome setbacks, open space, and tree mitigation can rapidly increase the cost of housing.



Jacksonville ETJ transfers to Onslow County

Session Law 2026-56 eliminates Jacksonville's remaining extraterritorial planning jurisdiction (ETJ) and transfers affected civilian properties to Onslow County's jurisdiction for land use regulation. The county [released a proposed zoning map](#) August 27, with an informational **community meeting on September 8**, followed by **Planning Board review on September 17** and commissioner action in October.

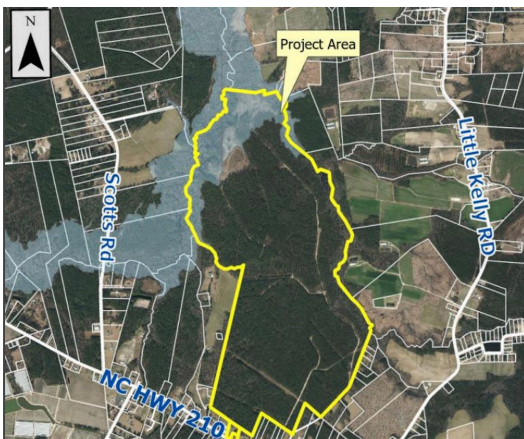
The legislation follows earlier efforts in the General Assembly specifically targeting Jacksonville's ETJ. For property owners and developers in the affected area, the immediate issue of interest is the transition from city to county zoning, permitting, and development standards.



Jacksonville boundaries expand to include military installations

The same state law adds specified portions of Camp Lejeune, MCAS New River, and the Marine Corps Special Operations Command property at Stone Bay to Jacksonville's corporate limits. The law expressly preserves federal control over military operations and does not give the city authority over federal land-use decisions.

The change better aligns Jacksonville's municipal corporate limits with the military installations, which maintain public-service relationships with the city. For land-use purposes, the companion elimination of the city's ETJ poses more immediate effect on civilian property.



Pender Planning Board recommendation at odds with new comprehensive plan

The Pender County Planning Board voted 3–1 to recommend denial of a roughly 630-acre, 1,023-home project near Rocky Point despite a staff recommendation for approval. Various board members voiced concerns including roads, schools, emergency services and utility capacity. In reality, even fully built out, the development would not push any schools over

capacity and would be a boon for the county's struggling utility, while growing the county's tax base significantly.

The board's opposition is particularly difficult to reconcile with Pender County's newly adopted comprehensive plan. The project matches the very type and location of growth envisioned by the plan, adding needed housing while helping unlock commercial potential in areas identified as future development nodes.

It also presents an important opportunity for Pender County Utilities, a system hampered by insufficient scale while facing significant long-term infrastructure needs. More than 1,000 new homes could expand the utility's residential customer base by nearly 10 percent, adding substantial new ratepayer revenue while also turning over new, modern infrastructure to the County.

The board's recommended denial underscores the importance of ensuring that planning boards and elected officials understand the fundamentals of long-range planning and their role in implementing it. Pender County has just completed a comprehensive process to determine where and how it wants to grow. A comprehensive plan has little value if projects that implement it are rejected because of the very growth pressures the plan was designed to manage.

Planning establishes where growth should go; land-use decisions are what make that vision meaningful. This project fits the County's newly adopted vision, expands housing supply, supports future commercial development and provides precisely the customer growth its utility system needs. Commissioners are scheduled to consider the rezoning September 21.

Pender's growth initiative: actions will matter more than resolutions

Pender County Commissioners unanimously adopted an "Infrastructure and Controlled Growth Initiative" directing staff to develop a long-range framework for water, wastewater, stormwater, emergency services and other growth-related infrastructure. Staff is expected to return with proposed scope, staffing and funding needs.



In many respects, the resolution commits Pender County to doing what a growing county should already be doing: planning for growth and ensuring infrastructure and public services are prepared to accommodate it. That has too often been missing in Pender, so for now BASE is in "believe it when we see it" mode. The upcoming Rocky Point development hearing will provide an early test. If Commissioners reject a project that perfectly aligns with the County's newly adopted comprehensive plan, expands the utility customer base and supports infrastructure in an identified growth area, it will be difficult to view resolutions like this as anything more than window dressing.

The resolution also warrants a reminder that North Carolina law does not allow local governments to impose residential development moratoria for the purpose of developing or adopting new plans or development regulations ([N.C.G.S. § 160D-107](#)). State law also provides permit choice, allowing applicants to proceed under the rules applicable when their application was submitted when regulations change during review, without being required to wait for the amendment process to conclude ([N.C.G.S. § 143-755](#)). These protections reflect the General Assembly's stated objective of providing "reasonable certainty, stability, and fairness" in the development regulation process ([N.C.G.S. § 160D-108](#)).

Pender County Utilities needs growth

Pender County continues wrestling with how to expand its water and sewer system. As of June, 1,552 residents had paid advance water tap fees for service that was never extended, and the County is now considering a broader refund policy.



Part of the problem is scale. Pender Water & Sewer currently serves only about 11,000 residents across its six water and sewer districts, leaving a relatively small customer base to support an expensive, capital-intensive system. Research on water utilities has consistently identified **economies of scale as an important advantage** for smaller systems, with growth allowing the substantial fixed costs of

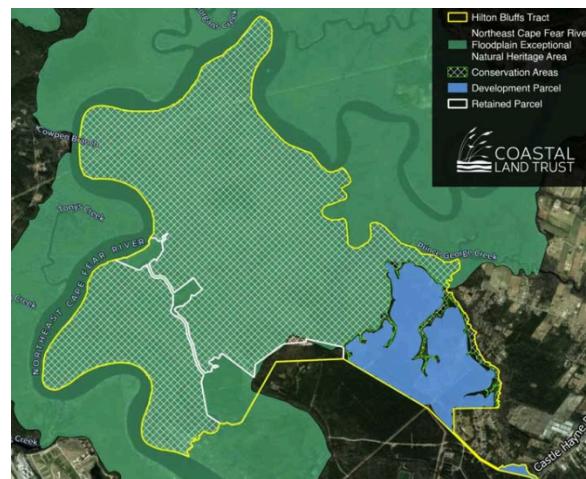
infrastructure and operations to be spread across more customers and **generally improving the economics of the system**.

That makes the Planning Board's recent 3–1 recommendation against the 1,023-home Rocky Point development especially concerning. The project fits the growth pattern established by Imagine Pender 2050, yet inadequate infrastructure was cited as a reason to oppose it. That creates a vicious cycle: rejecting growth for fear of infrastructure strain while turning away the new customers, revenue and infrastructure needed to improve it.

Pender County adopted the Imagine Pender 2050 Comprehensive Land Use Plan in November 2025, less than a year ago, identifying where and how growth fits within the County's long-term vision. The Planning Board and County Commissioners now need to make land-use decisions consistent with that plan. That is especially important for a utility system that needs predictable customer growth and revenue to support future investment. Rejecting appropriately located growth because of generalized fear will only perpetuate the problem, weakening the utility's financial capacity while constraining the housing, commercial development and tax base needed to support Pender County's future.

Hilton Bluffs appeal tests by-right development in New Hanover County

The continuing appeals over Hilton Bluffs raise policy and procedural questions extending well beyond this Castle Hayne development. The project is by-right under existing zoning and was approved administratively through New Hanover County's technical review process. It required neither rezoning nor discretionary approval by the Board of Commissioners.



North Carolina law allows parties with standing to challenge administrative decisions when they believe development regulations have been incorrectly applied. Those rights are important but come with defined requirements for standing, evidence, and grounds for overturning an administrative decision. Those safeguards matter. If appeals become a means of litigating whether an otherwise compliant project should occur rather than whether regulations were correctly administered, by-right development can effectively become another discretionary approval process.

One of the two Hilton Bluffs appeals has been resolved following changes to disputed roadway connections. A separate one brought by the Southern Environmental Law Center remains pending

before the **New Hanover County Board of Adjustment on September 22**, including challenges to the County's application of its performance-residential standards.

That challenge is noteworthy because Hilton Bluffs demonstrates the public benefit those standards can provide. Planned homes are clustered on former timber farmland while the property's old-growth forest is protected under a conservation agreement. **Performance residential standards provide flexibility to accommodate development while preserving environmentally valuable land.**

Challenging the standards that helped produce that outcome raises an important question: Is the objective to protect environmentally sensitive land, or to prevent development even when development is designed to preserve it? Eroding these tools could ultimately make such conservation outcomes more difficult to achieve.

The broader issue is not whether Hilton Bluffs should be permitted by right; the existing zoning already answers that question. It is whether administrative appeals remain a mechanism for correcting legitimate errors or become an additional layer of discretionary review and delay for otherwise compliant development. How the county and ultimately the courts answer that question bears watching.



Alternative delivery hastens Wrightsville Beach bridge replacements

NCDOT is using the Construction Manager/ General Contractor (CM/GC) alternative delivery method for three Wrightsville Beach bridge replacements, bringing the contractor into design and sequencing earlier. The approach is expected to move completion from roughly 2031 to 2029, significantly reducing the potential overlap

with the **nearby Eastwood Road/Military Cutoff Road** grade-separated intersection improvement project (pictured above).

NCDOT also noted that most lane closures for the Eastwood/Military Cutoff project are planned at night, important context when evaluating concerns about simultaneous construction.

Simultaneous construction has been the primary concern raised by opponents of the Eastwood/Military Cutoff project. In reality, coordinating the sequencing and delivery of nearby projects is part of NCDOT's planning process, and the accelerated bridge schedule further undercuts the narrative that the projects would create years of overlapping disruption.

Also important is a **new statewide provision for local governments to reimburse sunk project costs** when local action prevents delivery of a previously-approved project funded through the Statewide Mobility tier. Eastwood/Military Cutoff was funded through that tier, reflecting its statewide scoring, priority and transportation need. **Approximately \$19.9 million** has already been expended on project development, and the project is now well beyond its earliest planning stages.

Were project opponents to have their way, abandoning this fully funded, high-priority transportation improvement at this stage would leave local taxpayers on the hook for millions in sunk project-development costs, just to leave the community with an increasingly congested intersection and no means to improve it.

NHC and Wilmington put capital to work for affordable housing development

New Hanover County and the City of Wilmington recently approved two housing investments using different financing models. The county approved a \$2 million investment with a private developer for a 236-townhome development with all units rent-restricted for ten years to households at 60%–90% of area median income. The county is structured to receive 5% annual interest and repayment of principal after ten years, showcasing the power of private sector to deliver affordable units in a highly efficient manner. *(Pictured above: Proximity Blue Clay conceptual site plan)*



Wilmington separately approved \$2 million in gap financing for Dawson Lofts II at Jervay, an 86-unit affordable housing project serving households from 30%–80% of area median income. The approximately \$28.7 million project is expected to combine local funding with Low-Income Housing Tax Credits and project-based rental assistance.

New Hanover school bond heads to voters in November

The \$320.5 million New Hanover County Schools bond referendum will be on the November 3 ballot, supported by a broad coalition that includes many organizations and community leaders within the BASE orbit. Strong public infrastructure is essential to maintaining an economic climate conducive to investment, and that includes public schools with the facilities and capacity to provide high-quality educational opportunities.



The bond follows an independent assessment identifying \$491.2 million in districtwide capital needs, including \$176.5 million in past-due deferred maintenance. While the bond does not address the full need, it would begin by tackling critical projects, including a new Trask Middle School, replacement of Pine Valley Elementary, a new Riverlights Elementary, improvements at New Hanover High School, additional classrooms at Porters Neck Elementary and \$40 million in districtwide HVAC, infrastructure, safety and technology improvements.

The New Hanover Community Endowment has committed up to \$116 million over ten years toward debt service, helping hold the estimated tax impact to approximately \$5 annually per \$100,000 of assessed property value. That support also gives the county greater capacity to accelerate progress on the district's broader list of identified needs.

BASE supports the school bond as an important investment in New Hanover County's infrastructure and long-term competitiveness. The Greater Wilmington Chamber of Commerce is leading the campaign, with support from BASE, Cape Fear REALTORS® and other community partners. Those wishing to support the referendum campaign may contribute to the referendum committee [here](#).

August brings a few more General Assembly reforms



Several additional land-use and development measures that remained unresolved earlier this summer have now become law before the General Assembly broke huddle for the final time prior to the November election. These include:

Chapter 160D reforms included in the state budget: Permit Choice was expanded to qualifying rezoning applications, procedures for written administrative determinations were clarified, and changes were made to development appeals, standing and attorneys' fees.

SB 445 regulatory reforms: Site-specific vesting periods were extended from two years to five years, along with additional building-code,

permitting and development provisions.

SB 445 housing provisions: The law includes residential flexibility in certain commercial districts and ADU reforms, but geographic and population limitations largely exclude southeastern North Carolina.

HB 162 parking & stormwater reg reform: Statewide limitations on certain minimum parking requirements and stormwater reforms were enacted, but the parking provisions include a coastal-area carveout that excludes the BASE counties.

Infrastructure remains unfinished business: The FUTURE NC Infrastructure Act has not crossed the finish line yet, leaving long-term planning for water, sewer, transportation and other growth-related infrastructure financing a major issue heading into 2027.

A future update will include a full retrospective on the previous session's reforms.

Coastal Resources Commission reviews hardened shoreline structures

The N.C. Coastal Resources Commission met August 26-27 in Manteo, with the state's longstanding restrictions on oceanfront hardened structures among the significant policy issues under discussion. The Commission is considering a recent Science Panel report examining seawalls, revetments, groins, breakwaters and other erosion-control measures as it evaluates whether changes to North Carolina's current approach are warranted.



No policy change was adopted at the August meeting. The issue is expected to remain before the Commission, and members of the public will have an opportunity to comment at the CRC's next meeting. BASE will continue following the discussion given its implications for coastal property, infrastructure and shoreline management. BASE members with an interest in the matter should reach out to Jerod at jerod@ncbase.org.

WOTUS rule remains unresolved

EPA and the Army Corps of Engineers have not yet finalized a new definition of "Waters of the United States" (WOTUS) intended to more fully align federal regulations with the Supreme Court's May 2023 *Sackett* decision. The proposed rule would clarify several longstanding questions affecting federal jurisdiction, including what constitutes a "continuous surface connection" and "relatively permanent" water, as well as the treatment of ditches and other drainage features.



The agencies received public comment on the proposal last winter but have yet to issue a final rule. The continued uncertainty is significant for landowners and development projects because WOTUS jurisdiction can determine whether federal permitting, including a Section 404 permit, is required. The central need remains a durable, *Sackett*-compliant rule that also restores greater predictability for property owners and projects awaiting jurisdictional determinations.

The July Advocacy Update included a more detailed discussion of the WOTUS rulemaking and its implications. Observers think a final rule may not happen until Q4 2026 or Q1 2027 at this point, which would then need several months to promulgate into agency guidance before becoming operative.

ROAD to Housing Act passage shifts focus to implementation

The 21st Century ROAD to Housing Act is now law, bringing together more than 50 housing and banking provisions aimed at increasing housing supply, reducing regulatory barriers, improving housing finance and expanding housing options. The law includes tools related to local housing-supply frameworks, federal program modernization, environmental review, manufactured and modular housing and incentives for state and local housing reforms.



Passage is only the first step. Several provisions depend on federal rulemaking, program guidance or future appropriations. State and local governments can begin preparing by identifying development constraints, reviewing publicly owned land, examining HOME and CDBG procedures, developing potential projects and establishing baseline housing-production data. Implementation will determine how much of the law's potential translates into additional housing production. A future update will include a more exhaustive look at the law's provisions and next steps for related advocate efforts.

New faces in local government and association leadership from across the region

Pender County / WMPO: Following Pender County Commissioner **Brad George's** resignation, Commissioner **Jimmy Tate** is filling Pender County's seat on the Wilmington Urban Area Metropolitan Planning Organization Board previously held by George. **Beth Burns** will be sworn in to complete George's term on the Board of Commissioners. The county GOP's executive committee selected Burns by one vote over **Shayne Frey**, its nominee for the general election. Burns and the party mistakenly believes she could hold the commissioner position and retain her school board seat, which she cannot and will therefore resign and create a vacancy there.

City of Wilmington. The city's recent organizational restructuring created several leadership positions relevant to development and infrastructure. **Suzanne Russell** became Director of Compliance, overseeing functions including permitting, code enforcement and zoning administration (which are no longer housed in the Planning Department). **Susan Habina-Woolard** became Transportation Director, overseeing traffic engineering, development design review, streets, and stormwater. **Robin Slade** joined the city as Director of Asset & Property Management.

Wilmington Planning Commission. **Chris Bauer** of Ci Design and **Stephanie Lanier** of Lanier Property Group have joined the Wilmington Planning Commission, while **Richard Collier** was reappointed to another term. BASE also thanks **John Lennon**, Vice Chair of the BASE Board, for concluding two full terms of service on the Commission.

Carteret County Association of REALTORS. **Stephanie Deans** joined the association as its new Association Executive at the end of June, succeeding longtime Association Executive Sheree Higgins.

Cape Fear REALTORS. **Stephanie Bloodworth** has departed Cape Fear REALTORS® to become CEO of the Durham Regional Association of REALTORS® effective September 1. CFR has hired **Donna King** as its new Chief Operations Officer and Executive Director of the REALTORS® Commercial Alliance of Southeastern North Carolina.

A note to members...

Thank you for your continued partnership with BASE, the only organization in southeastern North Carolina solely devoted to advocating for public policies that support and sustain good growth and economic vitality.

This is a critical moment in the growth arc of southeastern North Carolina and the work of BASE has never been more important. Our mission is not only to advocate for economically sound policy solutions—from the courthouse to the state house, and from city halls to the nation's capitol—but also to educate and inform the public on the vital importance of growth and development to this region's future prosperity and quality of life.

This is our time to contribute mightily to shaping a better and more prosperous future for southeastern North Carolina and for the industries driving it forward. Help expand our ranks and grow our coalition by recruiting others to join BASE. Together, we can and will keep this region's economic engine roaring and ensure that its best days are yet to come.

-Jerod Patterson, CEO



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