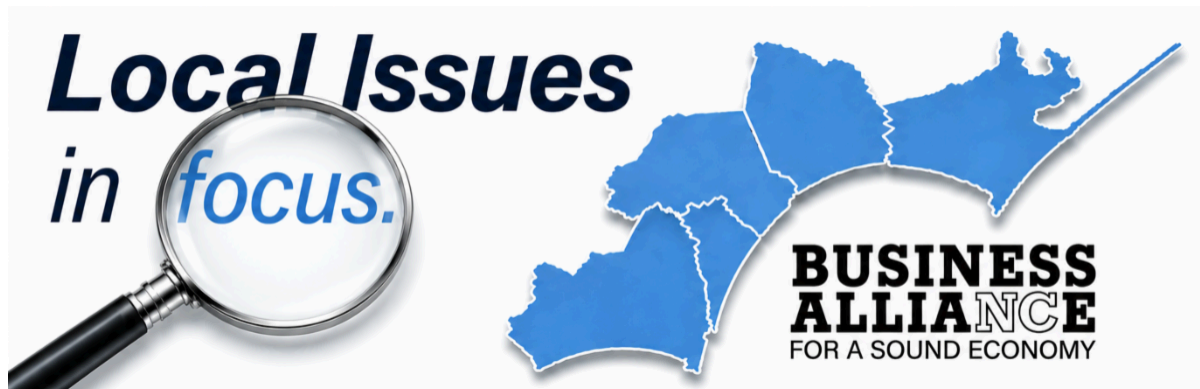




**BUSINESS
ALLIANCE**
FOR A SOUND ECONOMY

July 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.



Brunswick County: Boiling Spring Lakes Considers Major Changes to Tree Removal Permit Process

Following months of disruption to Boiling Spring Lakes' tree removal permit process, the city is poised to extricate itself from administering tree removal permits that involve Endangered Species Act compliance for the protected red-cockaded woodpecker. An amended development ordinance would eliminate **processes** and **submissions** previously needed to facilitate those permits.

City staff argue that recent changes by U.S. Fish and Wildlife have made the city's previous process unworkable. Fish and Wildlife agrees but suggests the city instead use a long-standing alternative that would facilitate local permitting under a single citywide federal permit.

While restoring permit processing is the immediate priority, the city's proposed approach would achieve that by transferring responsibility for Incidental Take Permits directly to individual property owners. These permits are issued when protected habitat is disturbed and include provisions for preservation or mitigation. Rather than serving as an intermediary or receiving federal authorization under which local permits could be issued, the city's new process directs property owners to navigate the federal permitting requirements on their own.



Why the City Wants to End the Current Process

Boiling Spring Lakes previously administered a local tree removal permit program that relied on Fish and Wildlife to conduct technical reviews of individual properties. According to the agency, the city adopted this approach in 2010 instead of developing a Habitat Conservation Plan (HCP) and obtaining a programmatic Incidental Take Permit (ITP), which would have allowed the city to administer a broader permit that would maintain compliance with the Endangered Species Act. Under the process chosen in 2010, properties were screened for potential to affect woodpecker habitat, allowing low-risk projects to proceed while the rest received site-specific federal review.

That process broke down after Fish and Wildlife adopted a new location-based review methodology to replace its previous parcel-based approach after determining the former system was not adequately preventing unauthorized impacts to the species. City staff say those changes resulted in delays that left tree removal permits and, in many cases, building permits in limbo.

As a result, city staff proposed eliminating the city's standalone tree removal permit process. Under the proposed ordinance revision, the city would no longer review properties for woodpecker habitat, forward applications to Fish and Wildlife, or issue permits based on federal correspondence. Responsibility for obtaining any required federal approvals would instead fall directly to property owners and developers, while protections for designated "Significant Trees" and other specified natural features would remain in place as a city permit process.

Fish and Wildlife's Recommended Approach

Rather than shifting federal permitting responsibilities to individual property owners, Fish and Wildlife recommends the city develop a citywide HCP and programmatic ITP. That permitting model is used by hundreds of local governments and regional partnerships across the country, which hold a comprehensive ITP for qualifying activities within their jurisdiction. If the city were to follow this model, it could resume administering qualifying tree removal permits under a single federal authorization. This would avoid the need for individual property owners to apply separately to Fish and Wildlife for an ITP, which the agency warns is "not an efficient or effective option for the City, its residents, the Service, or the species."

Assuming that Boiling Spring Lakes will no longer support applicants on incidental takings reviews, those applications would be submitted directly to Fish and Wildlife. The agency [developed this webpage and video](#) specifically for Boiling Spring Lakes property owners to walk them through the multi-stage process, which includes hiring an independent environmental consultant and conducting surveys of trees and protected habitats. If determined that development activity "may affect" protected plants or wildlife, an applicant may also require a

field visit and individual Habitat Conservation Plan before applying for an ITP. The agency prioritizes federal projects over individual ITP requests, which at times may cause further delay.

Fish and Wildlife has offered to help the city develop a citywide HCP and obtain a programmatic ITP so that property owners don't have to navigate such a cumbersome process.

What Happens Next

The Boiling Spring Lakes Board of Commissioners will consider these development ordinance amendments at **its August 4 meeting** (6:30 p.m. at 9 E Boiling Springs Road). The ordinance revision itself is fairly simple. It removes the city's role in facilitating incidental takings reviews and relevant submission information needed only for those reviews.

While restoring functional permit processing is a priority, the city should also consider the impacts on property owners from forcing them to wade through federal Endangered Species Act compliance on their own. If the proposed amendments are deemed necessary for permit processing, the city should consider them as interim or provisional rather than the long-term solution. Property owners may soon find that a citywide HCP and programmatic ITP could offer a more streamlined and predictable process with respect to time, efficiency, cost, and risk. Grants are often available to support local communities in establishing these processes.

BASE is offering its support and encouragement for the city to commit to a long-term solution that prioritizes the best interest and customer service experience of its residents and property owners, even if that means revisiting these ordinances and procedures.



Pender Planning Board Punts Hampstead Wastewater Plant Expansion

The Pender County Planning Board has postponed action on a request to allow construction of a new wastewater treatment plant near Hoover Road in the Hampstead area. The proposal from Pluris would rezone approximately 32 acres for a new facility

intended to supplement an existing treatment plant and provide additional wastewater capacity for the fast-growing area.

Planning Board members focused much of the discussion on an existing special use permit that authorizes up to three million gallons per day at the current plant. While the applicant stated it intends to shift a portion of that approved capacity to the proposed facility, board members expressed concern that the existing permit would still legally allow the original plant to operate at its full permitted capacity unless the permit is formally amended.

Following discussion, the board voted unanimously to postpone the rezoning request until its August meeting to allow the applicant time to pursue an amendment to the existing special use permit. If the issue returns as expected, the Planning Board should consider both the rezoning request and whether the permit changes adequately address the capacity concerns raised during the July meeting.

New Hanover County BOA Development Appeal Pushed to September



New Hanover County's Board of Adjustment postponed until September its consideration of the remaining appeal involving the Hilton Bluffs development after the developer reached an agreement with one of two groups challenging the county's administrative approval of the by-right development. This case is of particular importance to the development community because **how it is handled and resolved could shape how future appeals of staff decisions on development approvals are pursued and evaluated.**

Under the settlement agreement presented at the July appeal hearing, the development will no longer have roadway connections through two adjoining neighborhoods. Those neighbors have agreed to dismiss their appeal and related litigation.

A separate appeal filed by the legal activist organization Southern Environmental Law Center remains pending, highlighting a broader policy concern. Administrative appeals are an important safeguard against unlawful or improper government decisions. **They should not, however, become a vehicle for delaying projects that otherwise comply with adopted regulations** simply because opponents object to the underlying development. Equally important, the process should ensure that **only parties with a genuine legal interest** in the outcome—not those seeking simply to obstruct lawful development—are able to invoke these procedures.

As North Carolina grapples with its housing shortage and its importance to the state's long-term economic competitiveness, lawmakers should continue evaluating whether state statute strikes the right balance between due process and regulatory certainty. If the current framework allows procedural challenges with little legal merit or questionable standing to delay lawful projects for months on end, targeted reforms could be warranted to protect legitimate appeal rights while discouraging abuse of the process.

Stay tuned for September's hearing, prior to which the developer will submit revised plans that reflect the changes already agreed upon.

Brunswick County Advances Stormwater Utility Feasibility Study

Brunswick County commissioners have approved a contract with Raftelis to conduct a feasibility study evaluating long-term solutions to the county's stormwater and flooding challenges.

The study will assess existing drainage infrastructure, identify capital improvement needs, estimate construction and maintenance costs, prioritize potential improvement projects, and evaluate how a countywide stormwater utility might provide a sustainable funding source.



The consultant will also examine potential governance structures, implementation strategies, and a preliminary funding framework to support future stormwater management investments. Approval of the contract does not establish a stormwater utility or impose a fee. Instead, the study is intended to provide county commissioners with the information needed to determine whether such a program is warranted and how it could be structured.

Last year, Brunswick County considered stormwater ordinance revisions that would have required significant over-engineering. **BASE was largely successful in right-sizing those requirements**

and pointing out that the county's most persistent flooding challenges stem from deficiencies in existing infrastructure, not from new developments, which are already engineered to manage significant storm events under current regulatory standards.

That is why BASE has consistently pushed for the county to evaluate establishing a stormwater utility as an essential part of any meaningful flood resilience effort. Ordinance revisions do little to address the county's existing problems and have very little positive effect on future development given their reliance on modern engineering standards and stormwater best practices. In fact, some proposed changes would have arguably compromised the effectiveness of new infrastructure.

Combining responsible, data-informed stormwater regulations with a stormwater utility would provide the county with complementary tools to address both existing flood challenges and future growth. In that framework, new development would continue to enhance the county's resilience by bringing additional stormwater infrastructure online, while a utility could address deficiencies in the county's existing drainage system

Once Raftelis completes its analysis, the findings will be presented to commissioners, who will determine whether to move forward with any findings and recommendations. Future actions, including the possible creation of a stormwater utility or implementation of a funding mechanism, would require separate action by the Board following public involvement.

Onslow County Considers Streamlining Rezoning Approvals

Onslow County continues evaluating ordinance changes that would allow its Planning Board to issue final decisions on conventional rezoning requests while preserving avenues for review by the Board of Commissioners. The proposal follows

legislation enacted by the General Assembly authorizing Onslow County to delegate certain final zoning-map decisions directly to the Planning Board.



Under the [proposed ordinance](#), conventional rezonings approved by the Planning Board could become final unless commissioners elect to review the decision or an applicant or affected property owner requests further review. Conditional rezonings and several other categories would continue to require commissioner action. If adopted, the changes could reduce duplication in the development review process while maintaining commissioner oversight for more complex or controversial cases.



Carteret County: Beaufort UDO Rewrite Turns to Subdivision Regulations and Flood Damage Prevention

The Town of Beaufort continues work on its comprehensive Unified Development Ordinance update, with the UDO Steering Committee currently reviewing [Article 5 – Subdivision Regulations](#) before forwarding recommendations to the Planning Board and Board of Commissioners.

The rewrite is intended to modernize the town's development regulations, improve administrative procedures, and ensure consistency with North Carolina General Statutes. Current discussions focus on subdivision design standards, street connectivity, infrastructure requirements, approval procedures, and related development standards. Once work on the subdivision chapter is complete, the committee will shift its attention to Flood Damage Prevention, with a joint Planning Board and Board of Commissioners work session scheduled for August.

While much of the committee's work is technical, the ordinance will establish the regulatory framework governing future development in Beaufort for years to come. Builders, property owners, and other stakeholders should continue following the process as draft provisions advance toward formal public review and adoption.

NCDOT Declines Unsolicited Proposal for Replacement Bridge

State transportation officials opted against an unsolicited proposal from a private company to replace the **Cape Fear Memorial Bridge** through a public-private partnership. NCDOT determined the proposal offered no meaningful advantages over the department's existing replacement project and plans to continue pursuing the bridge through its traditional delivery process. Division Engineer Trevor Carroll provided the update to the **Wilmington MPO Board** at its July 29 regular meeting.



While the private proposal was dismissed, tolling remains under consideration as officials grapple with a massive funding gap for the project. As a tolled project, the bridge replacement scores among the top in the state to receive a portion of state funding. As a non-tolled project it drops in the rankings well into the hundreds, virtually ruling out state funding support via the

prioritization process. The project's environmental assessment has now been completed and the U.S. Army Corps and U.S. Coast Guard have identified a requirement of 135 feet of vertical clearance for a replacement structure. Public hearings are expected later this summer.

State Budget Includes Chapter 160D Changes and Development Related Provisions

On July 7, Gov. Josh Stein signed North Carolina's 2026-2027 state budget into law, marking the state's first comprehensive budget in more than two years. In addition to funding several priorities, it also includes a number of provisions affecting land use, development regulations, permitting, and local government administration that are of particular interest to the development community.



Major highlights include teacher and state employee pay raises, Medicaid funding and related oversight provisions, added investments in public safety personnel, additional Hurricane Helene recovery funding, and a variety of tax and regulatory policy changes.

One of the most closely watched negotiations centered on tax policy. Senate leaders sought to maintain North Carolina's previously enacted schedule of individual and corporate income tax reductions, while House leaders advocated slowing portions of those reductions to preserve additional budget flexibility. The final compromise largely maintains the state's existing tax framework while modifying certain revenue triggers governing future reductions, preserving the state's competitive tax structure while offering lawmakers flexibility should economic conditions change.

Development, Permitting, and Land-Use Provisions

In addition to the budget's spending provisions, lawmakers used the legislation to enact a number of changes to Chapter 160D and other statutes governing land use, local government, permitting, and regulation. Several provisions affect development approvals, administrative procedures, and the legal framework under which local governments review and process development applications.

Among the more notable provisions are:

- **Permit Choice expanded to rezonings.** The budget extends North Carolina's Permit Choice law to rezoning applications, allowing applicants in certain circumstances to elect review under the regulations in effect when a complete rezoning application was submitted rather than being subject to subsequently adopted development regulations.
- **Administrative interpretations and determinations.** The budget clarifies the authority of local government staff to issue written administrative interpretations and determinations under development regulations, establishes procedures governing those determinations, and revises how they may be challenged.
- **Administrative appeals and judicial review.** The legislation revises procedures for challenges to administrative development decisions. In many cases, parties may now proceed directly to superior or federal court without first appealing an

administrative interpretation or determination to a local Board of Adjustment. The legislation also revises standing requirements.

- **Standing and judicial procedures.** The budget modifies portions of the statutory framework governing standing and judicial review in certain land-use cases, limiting standing to those with a legally recognized interest in a property or others being directly affected by a decision as defined in statute.
- **Attorneys' fees in land-use disputes.** The legislation expands circumstances under which prevailing parties may recover attorneys' fees in specified land-use litigation, affecting certain disputes involving local development decisions.
- **Additional Chapter 160D revisions.** The legislation includes several other amendments clarifying administrative procedures, statutory terminology, and implementation of North Carolina's unified development statutes.



Tracking Legislation: General Assembly Returns; Building and Housing Priorities Still Remain

The North Carolina General Assembly has returned to Raleigh but not for a normal continuation of the short session. The adjournment resolution limits lawmakers primarily to budget matters, vetoes, conference reports, appointments and a handful of other eligible measures. No additional House or Senate session dates have yet been formally established for August, September or later in the fall. With the November election getting closer,

future meetings will become increasingly brief with specific ends in mind.

That makes the late July calendars consequential for several builder, Realtor, and business-related priorities. **House Speaker Destin Hall** and **Senate President Pro Tem Phil Berger** have not publicly laid out an expansive post-July legislative agenda. Their immediate focus is expected to be legislation returned by **Gov. Josh Stein**, tying up loose ends from budget issues, and bills that are procedurally eligible to move under the adjournment resolution. Berger is also serving his final months as Senate leader after losing the Republican primary, adding another layer of variability to negotiations between the chambers.

Regulatory Reform Packages

Among most important outstanding measures is [Senate Bill 445](#), the Regulatory Reform Act of 2026. As is common with regulatory reform measures, the bill is not centered on a single policy but rather a vehicle for numerous unrelated provisions negotiated by different industry leaders and legislative committees. BASE and its association partners continue advocating for several individual land-use, permitting and development provisions contained within the bill, which remains in conference. The Senate approved a conference report on July 29 and a House vote is scheduled for August 4.

A second and separate regulatory package, Senate Bill 1047, saw many of its provisions incorporated into the budget (administrative development approval, expanded permit choice, appeals process reform, attorney's fees in land-use litigation, standing in judicial review) or into

SB 445 (environmental permitting, utility regulation, and various agency and development regulatory reforms), and HB 162 (see below on parking and stormwater reforms).

Parking and Stormwater Reforms Become Law

One major development since BASE's June update is the final enactment of [House Bill 162](#), Parking Lot Reform/Stormwater Control. Gov. Stein signed the bill on July 6, and it became Session Law 2026-39.

The measure limits local minimum parking requirements for many developments and changes how certain parking areas are treated under state stormwater rules. It is important to note that coastal counties are exempted from the bill's parking standards but not from the stormwater ones. These provisions address two recurring development-cost issues: local ordinances that require more parking than the market or project actually needs, and stormwater rules that can penalize projects for paved areas regardless of their actual design or environmental effect. The final act also became a vehicle for several unrelated provisions added during the legislative process.

A similar bill, House Bill 369, remains in the Senate Rules Committee, but much of the core parking and stormwater policies sought by the development community has now advanced through HB 162.

Brunswick Development-Vote Bill Enacted

A Brunswick County local bill with significant regulatory implications is [HB 1222](#), which passed both chambers and became Session Law 2026-30 on July 2. At the behest of Sen. Bill Rabon and Rep. Charlie Miller, the law requires recorded votes on specified Brunswick County development approvals and changes the approval process for certain larger subdivisions. The final measure requires subdivision decisions involving 25 or more lots to go before the Brunswick County Board of Commissioners rather than being resolved exclusively at the planning-board level, and also establishes additional requirements, including transportation impact analyses, that affect county development review procedures.

The measure comes as Brunswick County prepares its long-awaited Unified Development Ordinance (UDO) update for final consideration. County staff are revising the draft ordinance to ensure it is consistent with the new law. As implementation moves forward, several procedural questions and some unintended consequences have begun to emerge.

BASE and its association partners are working closely with stakeholders to identify practical implementation solutions and advocate for targeted refinements. Regardless of differing views on the legislation, it is important that development regulations be clearly articulated, fairly and efficiently administered, and implemented through a process that is transparent, predictable and equitable for all participants. Doing so is important not only for business and economic development, but also for maintaining confidence in the integrity of the county's development review process.

Property-Tax Reappraisal Moratorium Signed

Senate Bill 889, the property-tax reappraisal moratorium, was signed June 19 and is now Session Law 2026-8. The law generally prevents counties that implemented a countywide reappraisal effective January 1, 2026, from using the new values for the 2026 tax year and directs them to temporarily revert to the prior schedule of values. The measure directly affects Onslow and Pender counties and was intended to provide temporary relief in response to substantial increases in assessed property values, but in actuality it further disconnects taxable values from current market conditions. That, in turn, creates additional distortions in the allocation of the property tax burden while reinforcing common misconceptions about the relationship between property valuations and property taxes.

Infrastructure Proposal Remains Stalled

Senate Bill 1010, the FUTURE NC Infrastructure Act, remains in the Senate Transportation Committee but unlikely to advance at this point in the session. The proposal would establish a statewide infrastructure-investment framework focused on transportation, water, sewer and public facilities. Championed by **Sen. Michael Lee** and also sponsored by **Sen. Michael Lazzara**, the concept strongly aligns with BASE's concern that state infrastructure investments are structurally deficient to support the state's continued economic competitiveness and pose a particular burden for fast-growing coastal counties.

What to Watch Next

Ongoing sessions will likely be driven less by the public calendar than negotiations between chambers, chairs, and conferees. The practical reality is that several long-discussed reforms have become law but as the fall election draws closer further short session gains are likely limited to low-hanging fruit at this point.

More Delay from EPA on Waters of the United States Rule

The Environmental Protection Agency and U.S. Army Corps of Engineers have decided to issue another proposed definition of "Waters of the United States" rather than move directly toward finalizing the WOTUS rule proposed last November.



EPA submitted an updated proposed definition to the White House Office of Information and Regulatory Affairs (part of the Office of Management and Budget) for review on June 30. The submission was still identified in the proposed rule stage rather than the final rule many stakeholders had expected. The unusual step indicates that the agencies intend to substantially revise portions of last November's proposal and may provide another opportunity for public comment before adopting a final definition.

The upshot is another significant delay in an already drawn-out process to bring EPA rules into compliance with the 2023 *Sackett v. EPA* Supreme Court decision, which significantly curtailed the scope of the Clean Water Act.

According to the submission, the proposal seeks to *"revise key topics of the Waters of the United States definition considering the Supreme Court's decision in Sackett v. Environmental Protection Agency, 598 U.S. 651 (2023), including continuous surface connection, relatively permanent, and jurisdictional versus non-jurisdictional ditches. These revisions focus on clarity, simplicity, and improvements that will stand the test of time. This action will streamline implementation of Clean Water Act programs by aligning the definition of Waters of the United States with Sackett, which significantly narrowed the definition under the Clean Water Act."*

The November proposal was intended to provide clearer boundaries between waters subject to federal Clean Water Act jurisdiction and wetlands, drainage features and other areas primarily regulated by states. Its public-comment period closed January 5 and [EPA's public WOTUS webpage](#) continues to list that proposal as the active rulemaking as of its most recent update on June 25.

Among its major provisions, the November proposal would limit federal jurisdiction primarily to traditional navigable waters, relatively permanent tributaries, and wetlands with a continuous surface connection to those waters. It would remove interstate waters as an independent jurisdictional category and retain exclusions for features such as certain ditches, groundwater, and stormwater-management facilities.

From the perspective of many businesses and industries that regularly navigate federal wetlands permitting, the National Association of Home Builders has urged the EPA to replace subjective jurisdictional standards with objective tests that can be consistently applied and provide greater certainty for property owners.

However, the NAHB also warned that the November proposal's attempt to define "relatively permanent" waters based on a region's "wet season" could create new uncertainty if interpreted differently across climates and Army Corps districts. The objective should not simply be a narrower rule but one that gives property owners clear and predictable standards.

The "wet season" definition has been cited as one of the provisions EPA may be reconsidering wholesale. Other possible revisions include the treatment of ditches, what constitutes a "continuous surface connection" between wetlands and jurisdictional waters, and the procedures used to determine whether individual waters fall under federal regulation.

From a legal perspective, issuing a second proposal rather than proceeding directly to a final rule likely reflects EPA's desire to strengthen the administrative record while reducing the risk that a substantially revised final rule could face legal challenges for departing too far from the original November proposal.

The decision presents a tradeoff. A second proposal creates another opportunity for EPA to refine and strengthen the rule by adopting clearer, more objective and consistently applied standards. But reopening the proposal also means provisions viewed favorably by many regulated stakeholders could be revised or replaced. Regardless of the direction the revisions take, the decision extends an already lengthy rulemaking process and delays the regulatory certainty many had hoped would follow soon after the *Sackett* decision.

The stakes are significant. Whether streams or wetlands are deemed federally jurisdictional can determine whether grading, filling or infrastructure improvements require a Section 404 permit from the Army Corps of Engineers. Jurisdictional determinations and federal permitting can add substantial cost, delay and legal risk to otherwise routine development projects. Landowners and builders deserve rules that can be understood and applied without requiring teams of attorneys and consultants to determine whether a property falls under federal jurisdiction.

Until EPA releases the revised proposal, the scope and direction of the changes remain unknown. What is clear is that the agency believes the November proposal requires substantial revision before it can be finalized. Whether those revisions ultimately improve or complicate the rule remains to be seen. In the meantime, builders, developers, landowners, and regulatory bodies must continue operating under regulatory uncertainty while awaiting a final definition.



The 21st Century ROAD to Housing Act is Now Law—What Did it Actually Accomplish?

For several years, home builders, Realtors, and pro-growth advocates have pushed for a host of reforms to make it quicker, easier, and less expensive to develop new housing. Several of these were included

in the 21st Century ROAD to Housing Act, which finally passed into law earlier this month after prolonged advocacy efforts.

Rather than a single transformative program, the Act is actually a very broad package with more than 50 housing and banking provisions intended to remove barriers, improve financing, adjust program contours, and encourage state and local governments to allow more housing production.

What the Law Includes

Land-use and zoning incentives. HUD must develop voluntary best practices that states and local governments can use to modernize zoning and land-use regulations. The law authorizes flexible funding for communities that increase housing supply and allows HUD to favor certain grant applicants serving areas that support housing production. This advances the longstanding argument that restrictive zoning and local approval practices contribute to housing shortages, but does not override local zoning authority or require communities to approve additional housing.

Faster federal environmental reviews. The law expands exemptions and categorical exclusions under the National Environmental Policy Act for certain federally assisted housing activities, including qualifying infill, rehabilitation and smaller-scale projects. It also streamlines reviews when HUD and USDA programs overlap and exempts many Rural Housing Service-supported infill projects from full NEPA review. These changes should reduce delays for projects involving federal assistance, although they do not broadly reform environmental review or permitting for every privately financed residential development.

Multifamily construction financing. FHA's statutory multifamily mortgage limits, which had not kept pace with construction costs, are increased and will use an inflation adjustment tied more closely to housing construction. This should make FHA financing more usable for apartment development, particularly where existing limits had become disconnected from project costs.

Modernization of the HOME program. The law updates program limits, expands eligibility to some workforce-income households, gives local governments greater flexibility to use HOME

funding for housing-related infrastructure and reduces federal requirements for certain small infill, rehabilitation and construction projects. For developers working with public-sector or nonprofit partners, these reforms may make projects easier to structure and complete.

Support for manufactured and modular housing. Congress expanded the federal definition of manufactured housing to include qualifying homes built without a permanent chassis, directed changes intended to place those homes on more equal footing for financing and titling, and required reviews of barriers affecting FHA financing for modular and manufactured housing. These provisions could broaden the use of factory-built housing as a lower-cost supply option, but implementation will depend heavily on HUD rulemaking, lenders, and state and local treatment of these products.

Community bank lending. The package includes several banking provisions intended to reduce regulatory burdens on smaller financial institutions and strengthen their capacity to provide mortgages and residential construction loans. That is particularly relevant to smaller and local builders, who rely more heavily on community-bank financing than large national firms.

Additional housing production tools. The law authorizes regional housing-planning grants, funding for local “pattern books” of pre-reviewed housing designs, a database of undeveloped publicly owned land, conversion of vacant buildings into housing and grants or flexible funding for jurisdictions that increase supply. It also permits communities to use up to 20% of certain Community Development Block Grant resources for affordable-housing construction.

Protection of the build-to-rent development model. An earlier Senate version of the Act would have required certain purpose-built single-family rental homes to be divested from institutional investment firms within seven years. Home builder advocates argued that the provision would suppress construction and displace tenants. The final law removed that forced-sale mandate, although it separately restricts future purchases of certain single-family homes by large institutional investors.

What the Law Does Not Do

The ROAD to Housing Act does not require local governments to reform zoning, approve subdivisions or shorten development-review timelines. It does not establish a nationwide permit deadline, preempt local growth restrictions or directly address many local infrastructure-capacity constraints that prevent entitled land from becoming buildable.

It also does not provide a large new federal investment in water, sewer, roads or other growth-related infrastructure. Congressional sponsors emphasized that the package involves no new federal spending, meaning many of its grants and pilot programs will still depend on future appropriations or the redirection of existing funds.

The law does expand several pathways to financing and ownership, including small-dollar mortgage pilots, appraisal-workforce reforms, manufactured-housing financing and improved notice of VA loan eligibility. However, it does not address every major inventory concern. Most notably, a provision to increase the capital gains exclusion for homeowners (the More Homes on the Market Act) was not incorporated into the housing bill.

Taken as a whole, the 21st Century ROAD to Housing Act is best understood as a **collection of targeted reforms** rather than a single sweeping housing initiative. Most of its provisions are

narrowly focused on specific barriers to housing production, financing, or development, with the expectation that meaningful progress can be achieved through a series of incremental improvements rather than one comprehensive solution. Ultimately, the Act's effectiveness will depend on agency implementation, future appropriations, and most importantly whether state and local governments take advantage of the tools, incentives, and flexibilities Congress has provided to support additional housing production.



Boiling Spring Lakes Names New City Manager

Boiling Spring Lakes has hired **Matt Kirkland** as its new city manager, effective June 29. Kirkland comes to the city from the **Town of Oak Island**, where he most recently served as **development services director** and previously as planning director. His background also includes planning positions with the Town of Leland and Johnston County.

Wilmington Hires for Economic Development and Downtown Services

The City of Wilmington has hired **Laura Brogdon-Primavera** (pictured above) as its first **Downtown Services and Special Events Director**, a newly created position intended to coordinate downtown services, events and stakeholder relationships. She joins the city from the Greater Wilmington Chamber of Commerce, where she ran leadership development programs.

The city also hired **Louis Starks** as **Business & Economic Development Manager**, to lead business recruitment and retention, entrepreneurship, workforce development, public-private partnerships and long-term economic growth initiatives. He comes to the city from Oakland County, Michigan.



Topsail Beach Adjusts Board of Adjustment Membership

Topsail Beach continues to attempt to fill the **Board of Adjustment** seat formerly held by town **Commissioner Nancy Thompson**. The most recent appointment to the seat was found to be ineligible due to concurrent service on the Planning Board, thus another appointment will be necessary to be compliant with membership requirements.

Pender County Preparing to Fill Brad George Vacancy

Pender County Commissioner **Brad George's resignation from office becomes effective August 1**, creating a temporary vacancy in the District 1 seat through the end of his term in December. George's last meeting on the Wilmington MPO board was in July, with the county needing to fill that role also.

Pender County's GOP plans to invite applications from registered Republicans residing in District 1, with its executive committee scheduled to meet August 20 to select a nominee. The party's recommendation will then go to the Board of Commissioners for appointment. The party chair identified its general election nominee, **Shayne Frey** (pictured above), as a logical choice but the party will still conduct a formal process.

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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