

Incorporation Effort: Woodlake Facing Low Odds

- BY DAVID SINCLAIR | Managing Editor
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Moore County's three state lawmakers say it won't be easy to win enough support in the N.C. General Assembly to get the legislation Woodlake needs to become its own municipality.

And although residents in the gated golf community east of Vass would like action quickly, nothing will get done on the issue until January at the earliest. That's when the General Assembly convenes for its "long session."

"I hate it for Woodlake, but there is nothing we can do this year," said state Rep. Allen McNeill, who represents part of the county. "It is going to be a long process."

Both McNeill and Rep. Jamie Boles say they would want a referendum to be required as part of any legislation to allow Woodlake voters to decide if they want to incorporate and be taxed.

Barring a special election, which comes with added cost to the county, a referendum would have to be conducted in a general countywide election. The earliest one would be the May 2020 primary election.

Boles said in a brief interview this week that he understands more than half the residents of Woodlake have signed a petition supporting incorporation. But he was concerned that some who had signed it may not own property there.

“I would want a referendum to be held,” he said. “I have also heard from a number of residents who have told me that they do not want to have to pay additional municipal taxes.”

McNeill said the additional taxation that comes with incorporation will make it a hard sell to get enough votes in the General Assembly to pass a local bill. He said that he, Boles and state Sen. Tom McInnis shared that concern with representatives of Woodlake when they met with them several weeks ago.

“We were very honest with them about that,” McNeill said. “There are members of our caucus, and in the Senate, when it comes to taxing someone, they are very cautious, even if there is a referendum.”

Just the mere appearance of passing anything to do with a tax increase in an election year prompted the Republican leadership of the Senate to refuse to take up a Moore County request this summer to include special language on the ballot for a proposed quarter-cent local sales tax increase.

McInnis said Tuesday that he “fully supports” efforts by the residents of Woodlake to repair the dam and refill its lake.

“I believe they are doing everything in their power, including incorporation, to do that,” he said. “It will be a heavy lift in the General Assembly. There are several different avenues that need to be explored. My main focus would be, No. 1, to try to bring about some type of process by which the dam could be repaired and water put back in the lake.”

McInnis said it is “very concerning” that the county stands to lose more than \$500,000 a year in property tax revenues because of lower property values, mainly from lakefront homes and lots. The state drained the lake a year ago due to a compromised dam and spillway, but only after the German-based ownership group failed to repair the structures in time with the court-ordered action.

“I am willing to do whatever I can to see that that problem is fixed,” he said. “Moore County does not need to be losing that amount of revenue.”

Quick Action Not Likely

The Restore Woodlake Committee has asked the county commissioners to consider creating a special tax district, which would require approval of a local bill in the General Assembly, to borrow the money through bonds to repair the dam — estimated to cost about \$9 million.

Richmond County, which is where McInnis lives, took that approach for Lake Ledbetter. He said this type of bond would not “pledge the full faith and credit” of the county and its property owners, just those in the district itself.

The county commissioners have so far declined to consider that option for Woodlake. That leaves incorporation as its only option. But that won’t be easy.

“Even if a bill is introduced, there is no guarantee it will pass,” McNeill said.

Woodlake residents had wanted the legislature to begin preliminary work immediately, but procedural issues prevent that from occurring.

“I see very little possibility that anything could be done to deal with your incorporation until next year,” McNeill said. “I understand your work to get signatures on a petition and appreciate the hard work that must have been. I certainly will take the petition into consideration, as it will help me decide my support for legislation to make the incorporation happen.”

Woodlake Residents Press On

John Misiaszek, a member of the Restore Woodlake Committee who regularly attends county commissioners’ meeting to make its case for help, said it would likely take Woodlake as a new municipality at least a year after becoming a municipality to have the financial means to address the dam and lake.

He told the commissioners earlier this month that Woodlake would probably have to pay a high interest rate on any money it borrows, given its youth as a municipality.

“The quickest and easiest way to do this would be to set up a special tax district,” Misiaszek said. “I just don’t understand why the county will not do this. Their (bond) rating is excellent. . . . Their property tax revenues will increase by \$500,000 a year once the lake is refilled and property values are restored.”

Homeowners last year sued Woodlake CC Corp over its failures to adequately address the long damaged dam. When that group failed to respond to the suit, Superior Court Judge James Webb entered a \$160 million judgment for the property owners.

Misiaszek said the timing of things is crucial for Woodlake. He said the U.S. Army Corps of Engineers permit to impound water for Lake Surf will expire March 17, 2022, and that it would cost \$6.5 million for a new permit if the current one is not extended.

Misiaszek said he understand that there are state representatives and senators who don’t want to pass along more taxes, especially without a vote of those who would be affected.

“We get that,” he said. “But this is something that needs to be fixed. This is not something that will just benefit Woodlake. It will also benefit the county. We are going to push ahead. We know it will be hard.”

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