

Town of North Topsail Beach

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Shoreline Protection Project Report

Establishment of a Municipal Service District for Beach Erosion Control and Flood and Hurricane Protection Works In Accordance With GS 160A-535 – 160A-544

- 1) Attached map identifies proposed Municipal Service District**
- 2) Statement indicating that services are needed in the district to a demonstrably greater extent than the rest of the Town:**

The Town is committed to beach nourishment to maintain a wide recreational beach strand, to protect structures, to maintain a tax and economic base, and to protect town infrastructure including facilities for public recreational access. In order to maintain the aesthetic and environmental value of the beach strand, the Town of North Topsail Beach Board of Aldermen has determined that the creation of a municipal service district for erosion control and hurricane protection works will be for the benefit of those properties located within the service district boundary.

The proposed district is in need of projects and programs (meeting the standards of G.S. 160A-537(a)) to a demonstrably greater extent than the remainder of the town in order to meet the needs and goals set forth above.

- 3) Plan for providing proposed services in the Municipal Service District:**

(See attached plan)



Town of North Topsail Beach Municipal Service District Statement & Plan PHASE 5

May 16, 2013

I. INTRODUCTION

Article 23 of North Carolina General Statutes 160A sets forth requirements and conditions for the establishment of a Municipal Service District (MSD) in an oceanfront area for purposes of beach erosion control and flood and hurricane protection works. Upon determination that an area of the Town is in need of certain services and that the area meets the standards of G.S. 160A-537, the Board of Aldermen by resolution may establish a district in that area to finance, provide or maintain for the district certain allowable services, facilities, or functions in addition to or to a greater extent than those provided within the entire Town of North Topsail Beach. The purpose of this Statement and Plan for a Municipal District is to comply with the statutory requirements so that the Town of North Topsail Beach, after holding a public hearing, may consider establishing a Municipal Service District.

For this consideration, this document includes the following required information:

- (a) Map of proposed district showing the proposed boundaries (Exhibit A);
- (b) Statement showing that the proposed district is in need of one or more services, facilities, or functions permitted under the purposes of a Municipal Service District; and,
- (c) Plan providing for one or more of the services allowed under the purposes of a Municipal Service District.

II. DISTRICT BOUNDARIES

The proposed district boundaries encompass an area as defined and depicted in the attached map (Exhibit A).

III. NEED FOR SERVICES

The Town of North Topsail Beach is proposing a municipal service district to provide for beach erosion control and flood and hurricane protection works through nourishment of its beach front property facing the Atlantic Ocean.

North Carolina General Statute 160A-537 provides that:

“The city council of any city may define any number of service districts in order to finance, provide, or maintain for the districts one or more of the following services, facilities, or functions in addition to or to a greater extent than those financed, provided or maintained for the entire city:”

(1) Beach erosion control and flood and hurricane protection works.

Findings:

Based on erosion control project design reports by Coastal Planning and Engineering Inc. (CPE), it is found that the Town of North Topsail Beach faces severe erosion issues in the proposed Municipal Service District – as depicted in the attached map, and is in need of one or more of “beach erosion control” and/or “hurricane protection” services, facilities, or functions as identified in Section 160A-536 “to a demonstrably greater extent than the remainder of the city.”

The engineered Phase 5 beach project will result in the placement of beach quality sand between the end of Phase 4 (3825 Island Drive) to the north and the North Topsail Beach Town Line to the south, increasing the berm width, improving the overall health of the shoreline, and providing an added level of storm protection to the parcels and structures within the defined MSD. The sand for the Project may come from a combination of sources, a nearby spoil island, an offshore borrow area or from maintenance of the New River Inlet (if 85% of the initial dredge volume from the New River Inlet Channel Realignment Project - a.k.a. Phase One - has shoaled back into the channel footprint, or the channel thalweg must have migrated outside the 500 foot wide initial construction corridor). The level of protection is demonstrably greater in the MSD when compared to the remainder of the town. The designated MSD area is at greater risk of damage from shoreline retreat and storm surge when compared to the remainder of the town.

Successful beach nourishment projects exist at Atlantic Beach, Wrightsville Beach, Ocean Isle Beach, Kure Beach, Carolina Beach, Topsail Beach, Oak Island, Bald Head Island, and Emerald Isle Beach. Almost all of these beaches are what is considered an “engineered beach,” which allows for FEMA reimbursement to the affected towns for loss of sand from storms. Most recently, Topsail Beach received \$6.3 M for sand loss from FEMA after Hurricane Irene.

Beach nourishment projects are allowed by the North Carolina Division of Coastal Management when erosion threatens to degrade public beaches and to damage public and private properties.

Beach restoration, nourishment, or sand-disposal projects have been determined to be socially and economically feasible and cause no significant adverse environmental impacts.

When money is available and certain conditions are met, the state participates in beach nourishment projects through the N.C. Division of Water Resources (NCDWR), and the N.C. Water Resources Development Program. The State Division of Water Resources administers this program. The following are required with state funding or sponsorship of beach restoration and sand nourishment projects:

1. The entire restored portion of the beach will be in permanent public ownership;
2. It shall be a local government aim to provide adequate parking, public access and services for public recreational use of the restored beach.

Revenue Sources and Needs:

The Town has determined that to secure adequate funding to support the cost of the re-nourishment project of the ocean front beach, several mechanisms must be relied upon. While residents, citizens, and property owners of North Topsail Beach benefit from erosion control and hurricane protection, it is considered reasonable and fair that those who directly benefit, or stand to lose the most if no action is taken should bear additional cost, should the need arise. Specifically the law states:

“The city council of any city may by resolution define a service district upon finding that a proposed district is in need of one or more of the services, facilities, or functions listed in G.S. 160A-536 to a demonstrably greater extent than the remainder of the city.”

The funding for Phase 5 will be accomplished with a combination of funds, utilization of monies in the Town’s Beach Fund (made up of Accommodation Tax revenues and dedicated Ad Valorem Tax revenue which has been \$.01 of the total tax levy in previous years and will increase to \$.15 Town-wide beginning FY14) and Sales Taxes. The Town will also continue to pursue State Funding (NCDWR) and seek participation from Onslow County. **The Town Board of Aldermen DOES NOT PLAN to levy additional property tax on this District in order to pay for this Project, apart from the Town-wide \$.15 ad valorem tax.** The Town must establish this District as part of the legal requirement to issue bonds to be paid by accommodation taxes under State legislation.

A map of the proposed district showing its proposed boundaries and affected properties is attached hereto and made reference to as “EXHIBIT A”.

IV. PLAN FOR PROVIDING SERVICES

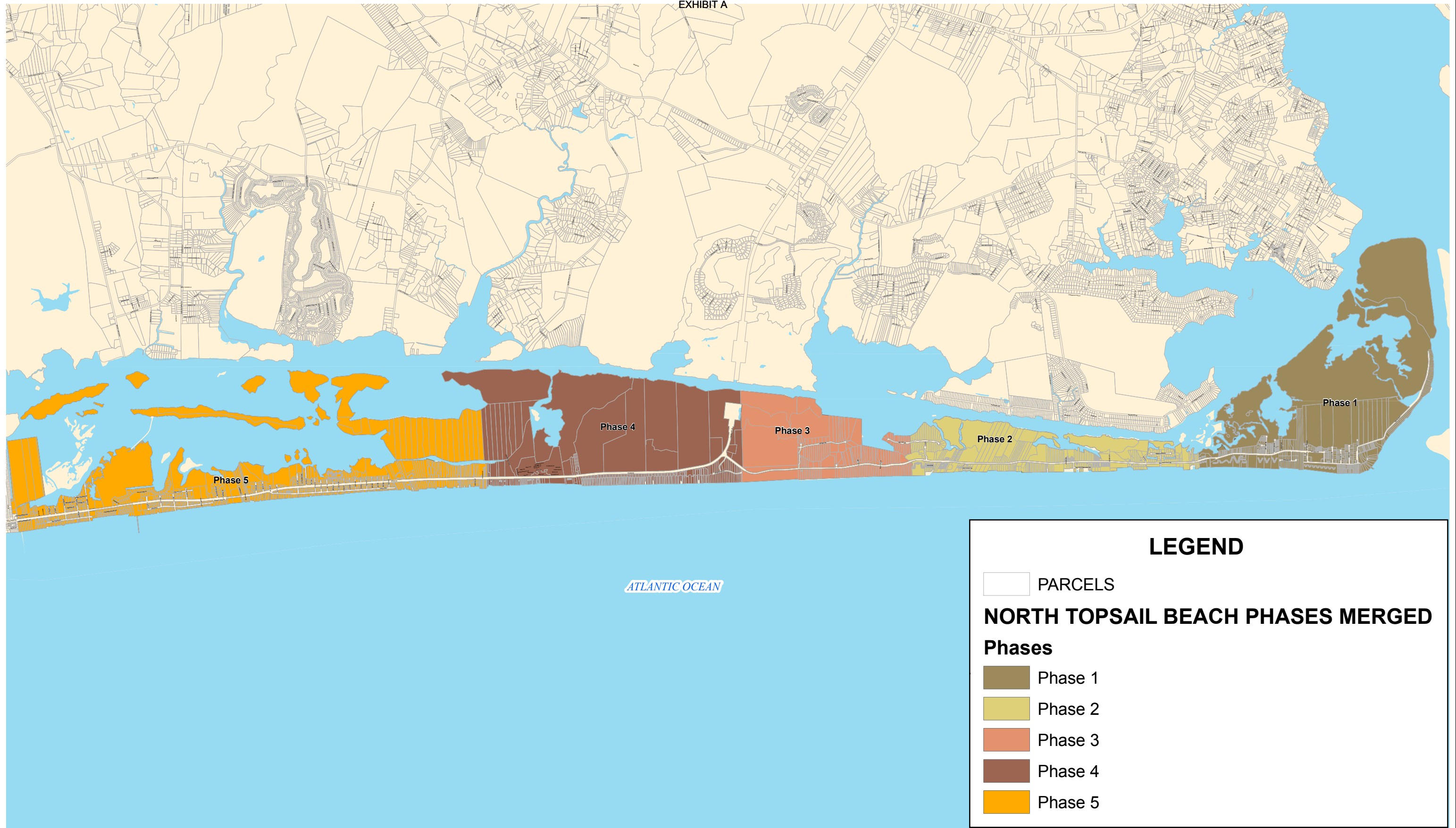
The primary objectives for the North Topsail Beach erosion control and flood and hurricane protection works under the Phase 5 are below:

Project Objectives:

- Provide long-term protection to Town infrastructure and homes;
- Provide short-term protection to imminently threatened residential structures over the next zero to five years;
- Reduce or mitigate for property damage associated with shoreline erosion in the municipal service district.
 - Improve recreational opportunities along the Town's oceanfront shoreline;
 - Ensure material utilized for shore protection is beach compatible;
 - Maintain the Town's tax base by protecting existing development and infrastructure on the oceanfront shoreline of North Topsail Beach.

V. SCHEDULE FOR PROJECT

All necessary permits for construction of the Project have been obtained. As the Town continues to secure funding for the Project, the sand sources and methods may change and will require permit modifications. The Town will be soliciting construction easements from oceanfront property owners for the right to cross the beach with equipment for the project. The Town will also be in consultation with environmental monitoring contractors to complete mandated monitoring in compliance with the Town's permit. Construction bids will be distributed by late summer 2013. If funding is secured, construction can begin after November 15, 2013 construction must be completed before March 31, 2014 according to the Town's current permits.



MUNICIPAL SERVICE DISTRICT MAP: PHASES 1 THRU 5

PRODUCED BY ONSLOW COUNTY GIS

printed:
MAY 14, 2013

THIS MAP IS INTENDED FOR REFERENCE ONLY.
ALL DIMENSIONS ARE APPROXIMATE.
AS PER NORTH CAROLINA G.S. 132-10, THIS MAP IS NOT TO BE
RESOLD OR OTHERWISE USED FOR COMMERCIAL PURPOSES.
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