

**MINUTES  
BURKE COUNTY BOARD OF COMMISSIONERS  
SPECIAL MEETING**

The Burke County Board of Commissioners held a special meeting on Wednesday, January 15, 2020 at 3:00 p.m. They met in the Commissioners' Meeting Room, Burke County Services Building, 110 N. Green Street, Entrance E in Morganton, N.C. The special meeting notice, executed by Chairman Carswell, was published on January 9, 2020 and the purpose of the meeting was to discuss matters related to a concept for a public / private partnership for a wedding and conference venue at the Fonta Flora County Park . Those present were:

**COMMISSIONERS PRESENT:** Johnnie W. Carswell, Chairman  
Wayne F. Abele, Sr.  
Jeffrey C. Brittain  
Maynard M. Taylor

**COMMISSIONERS ABSENT:** Scott Mulwee, Vice Chairman (Unable to attend.)

**STAFF PRESENT:** Bryan Steen, County Manager  
Margaret Pierce, Deputy County Manager/Finance Director  
Scott Carpenter, Deputy County Manager/Planning Director  
J.R. Simpson, II, County Attorney  
Kay Honeycutt Draughn, Clerk to the Board

**DEVELOPERS PRESENT:** Isaac Hoff  
George Milner

**CALL TO ORDER**  
Chairman Carswell called the meeting to order at 3:05 p.m.

**APPROVAL OF THE AGENDA**  
**Motion: To approve the agenda.**

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Wayne F. Abele, Sr., Commissioner
<b>AYES:</b>	Johnnie W. Carswell, Wayne F. Abele, Sr., Jeffrey C. Brittain and Maynard M. Taylor
<b>ABSENT:</b>	Scott Mulwee

**ITEMS FOR DISCUSSION / DECISION**

**THE NEST - A PUBLIC / PRIVATE PARTNERSHIP FOR A WEDDING & CONFERENCE VENUE AT FONTA FLORA COUNTY PARK**

Information from the agenda packet:

Over the past three (3) years Community Development has sought a partner to work with the County in the development of a wedding and conference venue at

Fonta Flora County Park. The venue will be located on a ridge overlooking Lake James and will have views of the South Mountains, Black Mountains, Shortoff and Grandfather Mountains. The venue is anticipated to cost approx. \$4.5 million and will help fulfill one of the top goals in the development of tourism for Burke County. The venue will be utilized for weddings, conferences, retreats, music and art festivals and can host family gatherings. The venue will serve as a unique and iconic destination to draw guests to Burke County and to assist in building the "Fonta Flora Brand" for the Lake James area. Please see attached documents for additional information.

Scott Carpenter, Deputy County Manager/Planning Director, said for three (3) years Community Development has been looking for a partner to develop a portion of the County Park area of the Fonta Flora State Trail. He said they had a potential partner at one point, but the County Park land was not developed then. However, since that time a lot of progress has been made and now the property has an access road, provided by Duke Energy for a future deep water boat launch, and electricity, provided by Rutherford Electric Membership Corporation (REMC), but public water is still not available. Mr. Carpenter introduced the potential developers of the project, George Milner and Isaac Hoff, residents of the Lake James area with a real love for the Lake. He said before the Board today is a two (2) phased proposal, the first phase is a public-private partnership for a wedding and conference venue with a commercial kitchen at the County Park, and the second phase is for construction of nearby yurts, treehouses, and cabins that would support the venue. Mr. Carpenter advised that the project would cost approximately \$10 million, with the first phase (wedding and conference venue) estimated to cost approximately \$4.5 million. He further said the venue will be utilized for weddings, conferences, retreats, music and arts festivals, and family gatherings. Mr. Carpenter said, originally a lodge was going to be constructed across the Lake on Long-Arm, but the terrain was more mountainous than anticipated, making it very expensive to develop, so no one ever developed the land and it was later purchased by the NC State Parks system. The location of the proposed venue, the "Nest", would be across the Lake from where the lodge was going to be developed, and this property has some advantages such as a paved road, great views, electricity, and a 250 feet deep well for restrooms. He noted that this is the only property on Lake James where this venture / venue could feasibly work and it would compete with Atlanta, Charlotte, Raleigh, and Asheville because of the quality of the proposed venue and the scenic views and attractions. Mr. Carpenter then outlined some of the provisions of the public-private partnership agreement: A 200-300-person venue would be constructed, construction of the Eagle's Nest structure (a 360 degree viewing platform) which would be separate from the main venue, the developers have the first option to construct cabins, treehouses, or yurts on adjoining county-owned land (subject to a separate agreement), a 30-year ground lease with four (4) five (5) year options to renew, 25-acres+/- of land for a septic system, a local tax incentive grant (8-years at 50 percent) on the infrastructure and the building, the lease would be transferable to a third party, the County would provide road access down Eagle's Nest Way between NC Hwy. 126 and Venue Drive, as well as electricity, the County would provide a 180-space parking lot, the County would construct a 1,500 ft. driveway to the venue off of Eagle's Nest Way, and provide the site location and 25 acres for the venue. Mr. Carpenter reviewed the benefits the County will receive from the project: 12,000+/- estimated clients annually (70% out-of-County) spending an estimated \$150 a day generating \$8.4 to \$12.5 million annually, weekday events priced similarly to the Morganton Community House and plans for music and art festivals, cooking classes, etc.

Mr. Hoff then reviewed the following PowerPoint presentation.



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# THE NEST Lakeside Venue

Advancing Burke County's Hospitality Economy

## Background

- Long Term Goal of Burke County

## Today's Topics

- Opportunity
- Design Review
- What We Have / What We Need
- The Why

## Goal for Today

- Receive support from County
- Funding of necessary infrastructure



## Opportunity



- **A County** with foresight and vision to see how to “Advance” Our Beautiful County
- **Local investor** who shares this vision and commitment to advance Burke County's hospitality economy
- **Unmatched land** that has the potential to be a iconic draw for people from far away
- **The people** to make this happen

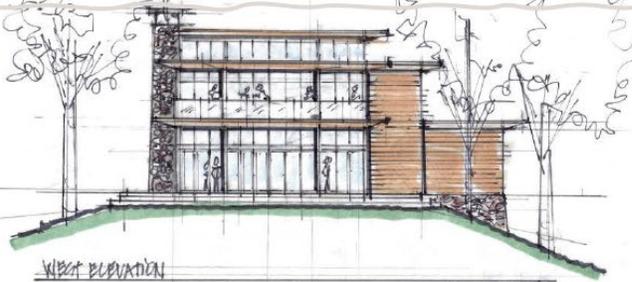
# THE NEST Lakeside Venue

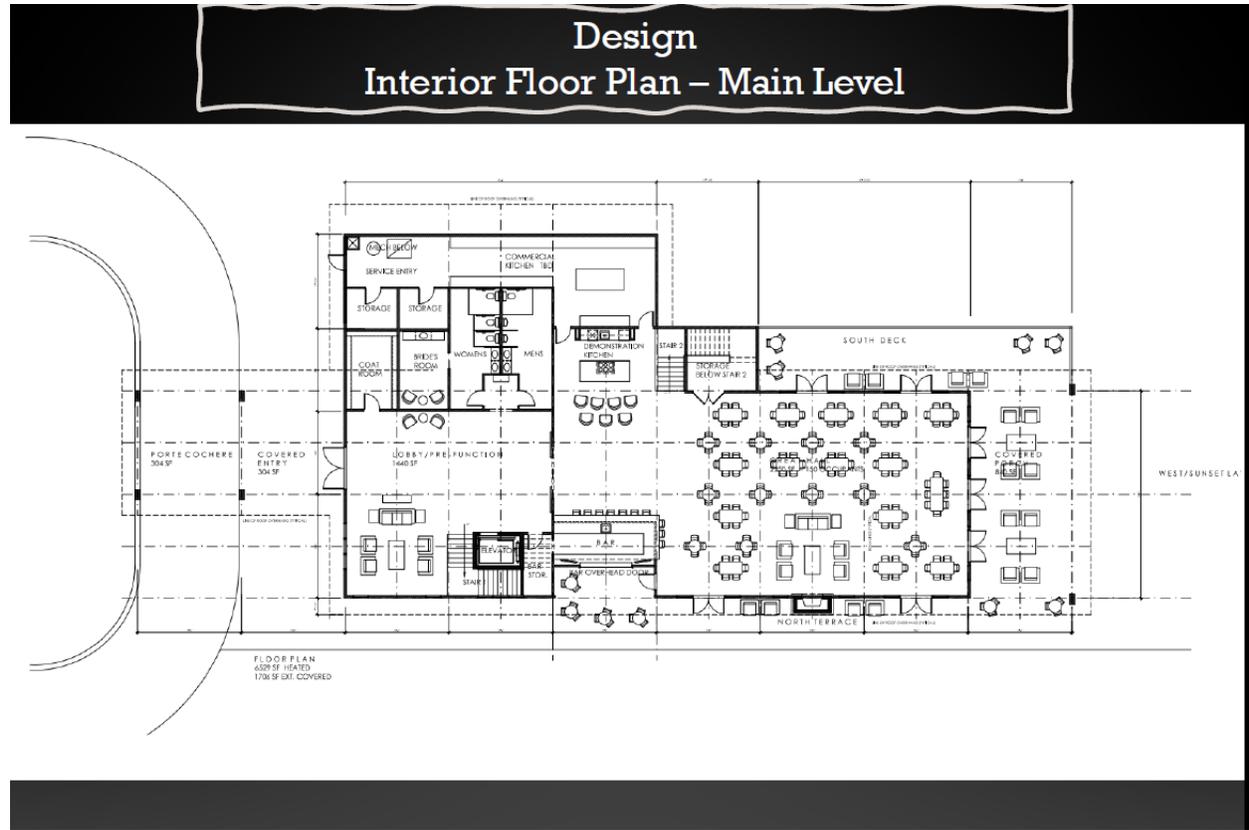
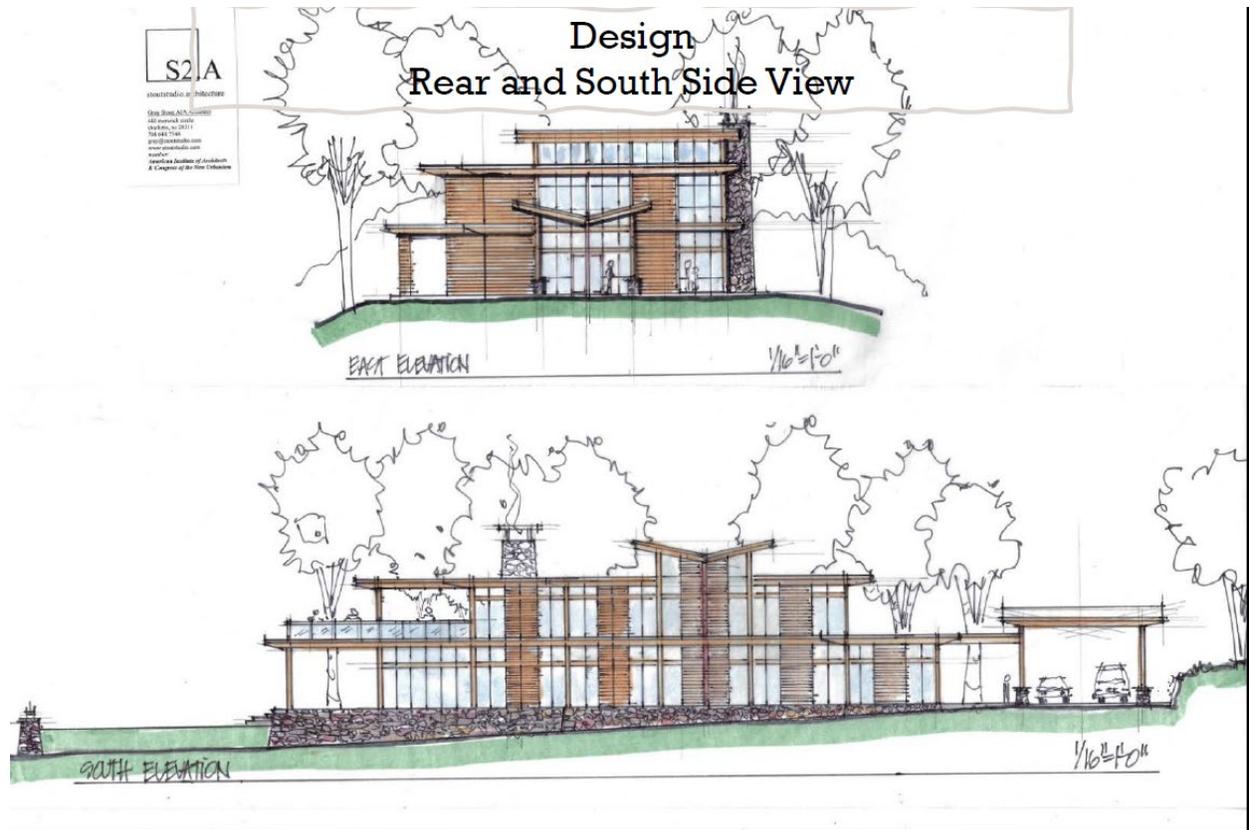


## Design Front and North Side View

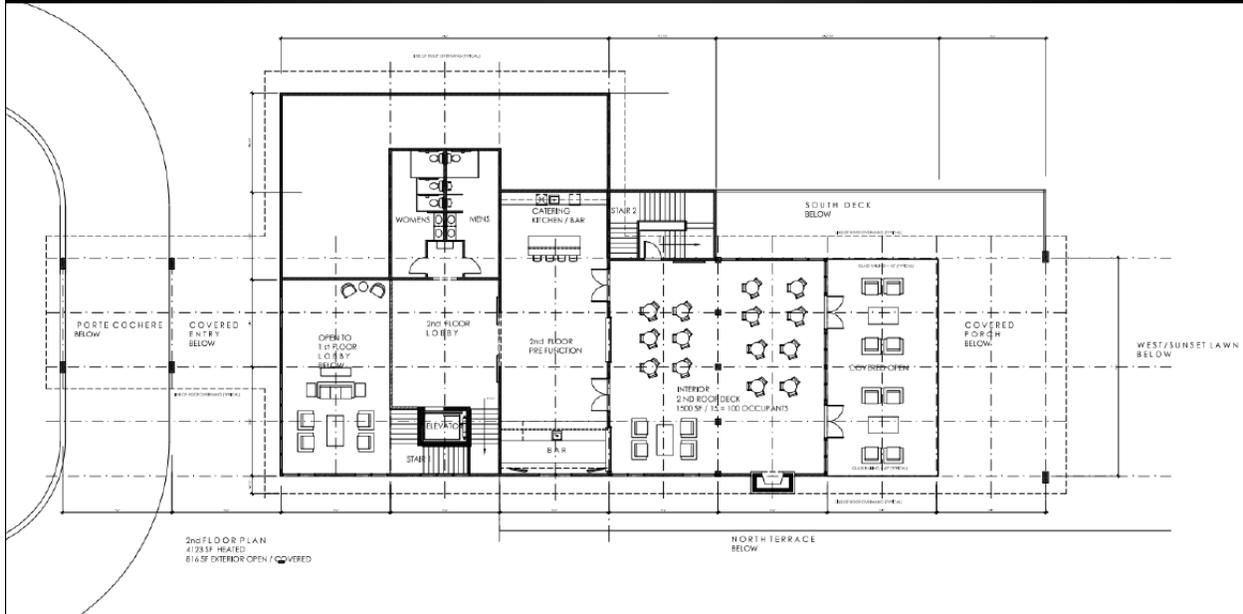
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Shelburne Fine Arts Building  
1000 Lake Street  
Shelburne, VT 05487  
www.shelburnefinearts.com  
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A Division of the Town of Shelburne





## Design Interior Floor Plan – Upper Level



## What We Have



- Land
- Local Private Investor with funds available for building
  - \* Funds will not be available indefinitely
- Desire for project from County
- Design and Plan

## What We Have Accomplished to Date



- Site Clearing
- Worked with Equinox a planning and design firm to create layout
- Septic Preliminary layout
- Structure Design with Stout Studio
- Consulting with local event professionals
- Worked with Burke County Fire Chief, and Burke County Building Department
- Currently \$40,000 of private money invested to get to this point

## What Is Needed from the County

### **What Is Need From the County:**

- Paved Driveway – approximately 2000' long
- Parking lot to accommodate 170 spaces (on county land)
- Power to the Venue Building/Site



Estimated Cost of Installation: \$400,000  
(10% of total investment that will be spent to create the venue)

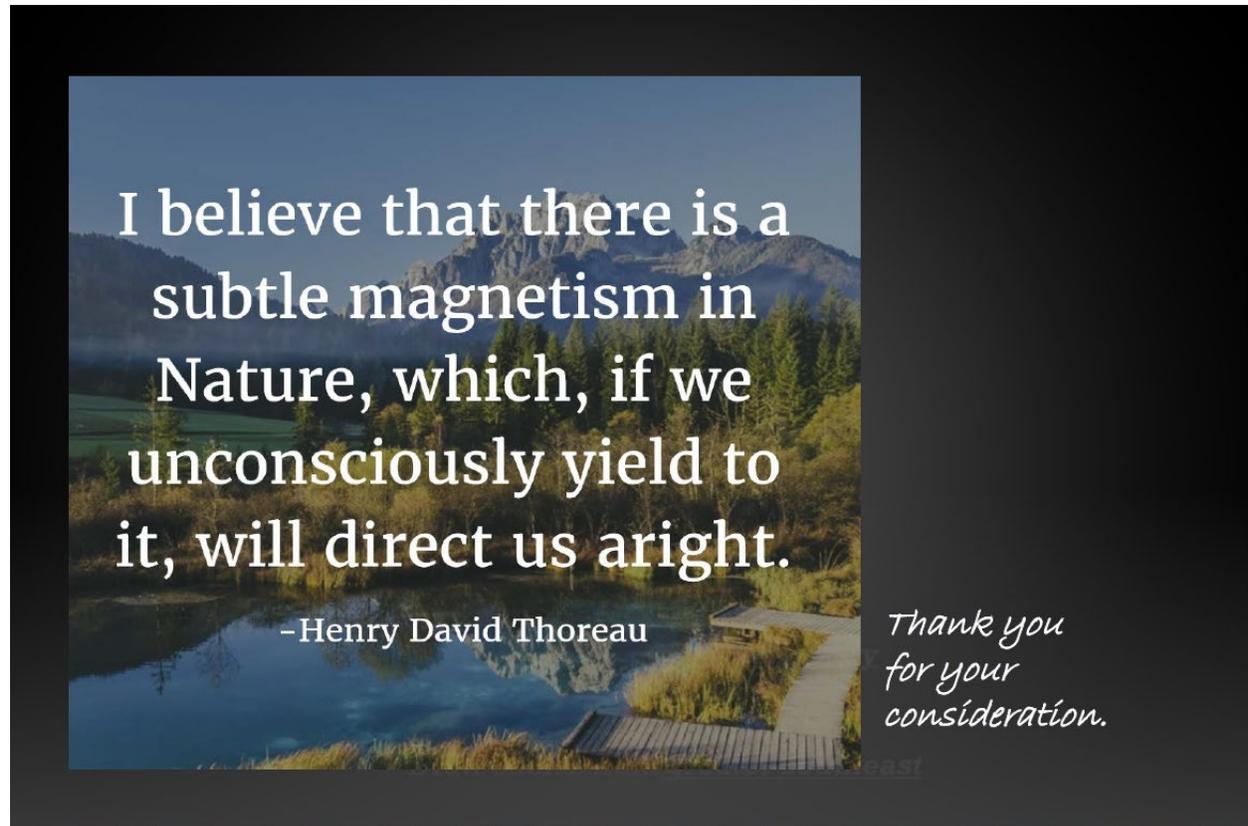


## Propelling the legacy of Burke County becoming a destination

Why is this a good idea?

- ROI For the investor
- ROI For Burke County
- Benefits for County
  - 8000 out of town guest a year, spend \$200 each we have \$1.6 M a year into local businesses
  - Sales Tax
  - Hotel Tax with lodging
- The main reason





Mr. Hoff offered to respond to questions from the Board. Commissioner Abele asked when will the cabins be constructed and who will build them. Mr. Hoff said the goal is for he and Mr. Milner to develop the cabins which will support the main venue. Regarding the timeline, Mr. Hoff said the sooner the better, discussion ensued. In response to a question from Commissioner Taylor, Mr. Carpenter said the land that the venue would be built on belongs to Burke County and is part of the Fonta Flora County Park. Commissioner Taylor noted that there are references to a memorandum of understanding and agreement and questioned, due to any potential legal ramifications, which one is needed. J.R. Simpson, II, County Attorney, said at this point in the process, a letter of intent would be best for Burke County because it is non-binding. Mr. Carpenter clarified that what the developers are asking for today is to approve a conceptual agreement for the "Nest" project by way of a letter of intent and to instruct the County Attorney to draft a formal lease and partnership agreement with the private partner's attorney for consideration by both parties. Mr. Carpenter responded to additional questions from Commissioner Taylor on the road and utility requirements. Discussion ensued on the cost of the project and Mr. Carpenter said he does not have exact cost figures because engineering and design work would need to be completed first in order to know the true cost of the project. Mr. Carpenter said this project is different than many others because it will eventually pay itself back by, if nothing else, property taxes and other revenues generated by tourism and visitor spending, discussion ensued. Commissioner Taylor said before committing County funds to the project, he would like to have more detailed cost information. In response to another question from Commissioner Taylor, Mr. Carpenter said the County would most likely be responsible for the Eagle's Nest structure, but at this point with regard to the letter of intent, it is uncertain. Mr. Carpenter answered additional questions about the viewing platform. Mr. Milner said with many

projects, one party owns the land and the other party owns the building and there is some additional negotiation that needs to occur. He said the County would provide 25 acres and while the opportunity cost may be unknown, and noted the land is challenging to build on and get to, but it is a beautiful piece of property once you get there. Mr. Milner said he does not know the value of the land, but he is going to use approximately \$4 million for this project, and noted the County will get returns from sales tax associated with income that is generated from the project. He said this is a partnership with each party having their own streams of income, discussion ensued. In response to a question from Commissioner Brittain concerning the location of the parking lot and topographic concerns, Mr. Carpenter said the venue would most likely use a shuttle system to bus people to and from the parking lot, there would also be a walking path from the parking lot to the venue. Additional discussion ensued regarding parking and Mr. Hoff noted that approximately eight (8) spaces could be added at the venue for key personnel during events. Commissioner Brittain said if taxpayer funds are going to be used for this project, then he needs to be able to tell taxpayers how they are going to get their money back. County Manager Steen said he along with Mr. Carpenter, Deputy County Manager/Finance Director, Margaret Pierce, and the County Attorney can try to refine the cost figures to get a clearer estimate. Chairman Carswell asked what is the timeline for this project in regards to next steps for the County. Mr. Carpenter said Mr. Milner cannot hold his (\$4 million) investment indefinitely and they are hoping to move forward in the spring. Mr. Milner said he cannot proceed without an agreement in place and noted the next step is creating the detailed plans/designs, estimated to cost \$150,000. Attorney Simpson reported the proposed letter of intent says the County is obligated to purchase the venue at the termination of the lease and that the County is required to maintain the road and parking. Discussion ensued about the disbursement of profit from the venue as outlined in the letter of intent. In response to a question from Attorney Simpson, Mr. Carpenter said the venue and septic system would utilize approximately 25 acres, discussion ensued regarding the commercial septic system for the venue which could cost \$1 million or more. The cabins in phase 2, would require their own septic system. In response to a question from Commissioner Brittain concerning the process going forward, Attorney Simpson said staff can work together to get more detailed cost information for inclusion in the letter of intent that both parties can agree on. Chairman Carswell asked if the Board votes to do a letter of intent today, do they also have to agree to a lease and formal partnership agreement. Attorney Simpson said the Board can proceed with a modified letter of intent and staff can also work on a lease agreement with more details and cost estimates. Commissioner Abele said he believes the Board is rushing the letter of intent and while it is non-binding, the decision should not be rushed because there are a lot of unanswered financial questions. Mr. Milner responded to a question from Commissioner Brittain concerning the timeline and noted a financial gap exists that must be closed before he commits the funds for the detailed design plans. Commissioner Abele reiterated his desire to not rush the process. County Manager Steen said staff can work on the letter of intent, get more detailed cost information and present it at the Board's February meeting. He reminded the Board that if the numbers do not work, then the County will not proceed with the project and noted that other projects will arise at some point in the future. Chairman Carswell said he does not believe the Board is ready to vote on any motion today and directed Attorney Simpson to work with Mr. Milner's attorney as quickly as possible to draft a new letter of intent. Chairman Carswell also directed Mr. Carpenter to work with the developers to get more detailed cost information, and noted he wants the full Board to vote on this item. Commissioner Taylor expressed support for moving forward with the project and the letter of intent.

**RESULT: NO ACTION TAKEN.**

**REMINDERS**

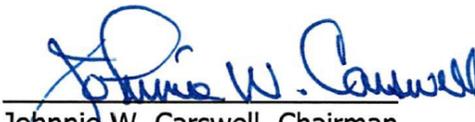
Chairman Carswell announced that on February 20 and 21 the Board will hold a budget retreat in Blowing Rock, N.C. and that on March 31, the North Carolina Association of County Commissioners' (NCACC) district meeting will be held at the Foothills Higher Education Center in Morganton.

**ADJOURN**

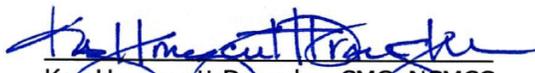
**Motion: To adjourn at 4:21 p.m.**

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Wayne F. Abele, Sr., Commissioner
<b>AYES:</b>	Johnnie W. Carswell, Wayne F. Abele, Sr., Jeffrey C. Brittain and Maynard M. Taylor
<b>ABSENT:</b>	Scott Mulwee

Approved the 19<sup>th</sup> day of May 2020.

  
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 Johnnie W. Carswell, Chairman  
 Burke Co. Board of Commissioners

Attest:

  
 Kay Honeycutt Draughn, CMC, NCMCC  
 Clerk to the Board