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Mr. Woodrow Price, Chairman
North Carolina Seashore Park Commission
c/o News & Observer
Raleigh, North Carolina

Re: Cape Lookout Property of
S. Q. Bass and C. M. Reeves, Jr.
House Bill H. R. 1784

Dear Mr. Price:

I am disappointed that the North Carolina Seashore Commission has taken no action of a positive nature with respect to acquiring the property of S. Q. Bass and C. M. Reeves, Jr., located on Cape Lookout. If you will stop to consider in chronological order everything that has transpired in respect to the Cape and discussions for the establishment of a park, I think you will agree with me that my clients have been treated rather shabbily.

C. M. Reeves, Jr., with Bryan Newkirk, Jr., first acquired property on the Outer Banks in 1953, and in 1955 acquired additional property on the Outer Banks from Judge Luther Hamilton. All of this property was acquired for the express purpose of developing the same into a resort area. In 1956, the death of Mr. Bryan Newkirk, Jr., caused some delay in development plans. Work on these plans could not be resumed until the settlement of the estate of Mr. Newkirk, and in 1960, the Newkirk interests were acquired and Mr. Reeves proceeded with plans for development of the Cape Lookout property into a high-class resort area. In early 1960, Mr. Reeves was notified by the State Property Office that the State of North Carolina was interested in buying property on Core Banks and Portsmouth Island and that the State was interested in stabilizing the banks. The property would have to be bought by the State and after stabilization was completed would be offered back to the original owner. No formal offer to buy Cape Lookout was ever presented by the State, nor were any formal negotiations entered into. At one time in 1962, Mr. Reeves conferred with Governor Sanford about the matter; and, based on statements made by Governor Sanford, Mr. Reeves felt free to begin the development of Cape Lookout property and was assured that this property was not needed by the State for its conservation program since Cape Lookout lies outside the stretch of Outer Banks needed to protect the mainland. Mr. Reeves

Mr. Woodrow Price, Chairman

Page 2

January 25, 1966

acquired the Newkirk interests and after other land owners had sold their interests to S. Q. Bass, leaving only Mr. Bass and Mr. Reeves as the property owners interested, these two gentlemen proceeded with the development. Over \$40,000 was invested in a house located on the Cape to be used as a prototype and as a headquarters. Several thousand rose bushes, cedars, and pine trees were bought and planted. A bulldozer and a drag line were purchased, and work on Cape Lookout was started, including construction of a boat basin on the deep water of Barden's Cut, at a cost of more than \$10,000. Prior to that time, two acres at Cape Lookout had been sold for \$2,000. In 1963, five acres were sold to the United States Coast Guard for \$7,500, and in 1963, the property owners employed Rader Associates of Miami to create and engineer suitable development plans for Cape Lookout and to appraise the property. I might point out to you that the property owners spent \$10,000 for the initial stage of the survey and the preparing and presenting of the first sketch of the development plan to the Carteret County Planning Board in January, 1964. For your information, Rader Associates is a highly reputable firm with an international reputation and that a plan prepared by them and submitted to the Carteret County Planning Board, in accord with the laws and regulations applicable thereto, should be rejected by the Carteret County Planning Board is almost ridiculous. A representative of Rader Associates was brought in from Miami at the owners' expense to present the initial development plans. I was present at that meeting in January of 1964 and am fully aware of the delaying tactics adopted and followed by the Carteret County Planning Board. At that time, Mr. Frank Turner, State Property Officer, asked the Planning Board to withhold approval of any subdivision. His only stated reason for such request was that the State of North Carolina was interested in acquiring the land in question and would give it to the National Park Service to be used as a public park. Mr. Turner further stated at that time that he was going to contact Mr. Reeves immediately concerning the purchase of Cape Lookout property. This he has never done.

As you are aware, each step of a development and subsequent subdivision must be approved by the Carteret County Planning Board before a plat of such development and subdivision can be recorded in Carteret County. Despite the fact that the plan submitted by the owner meets the proper requirements, the Carteret County Planning Board has failed and refuses to approve the plan submitted. Such action, I think, is improper and illegal. A plat meeting all the requirements and regulations was re-submitted in November, 1965, and again approval was tabled for no good or sufficient legal reason. During this time, the property owners have sold additional lots of 1/2 acre each, averaging from \$1,500 to \$2,000 per lot, or \$3,000 to \$4,000 per acre, and there are some 1,000 acres of this Cape Lookout land. These sales have been made to local people who are thoroughly familiar with the property, as no advertising has been done.

In June of last year, I attended the Senate Subcommittee hearing in Washington, D. C., relative to the acquisition of this land, and I stated to you at the time that the owners would not contest the establishment of a National Park but that

Mr. Woodrow Price, Chairman

Page 3

January 25, 1966

they were interested in seeing some action taken. It is our opinion that the State ought to acquire this property or the Carteret County Planning Commission should be required to allow the land owners to go ahead with their plans for development. You stated to me in Washington that you had no money with which to acquire this property but that such funds as were necessary could be acquired from several foundations. You further stated that you were surprised that Mr. Turner had not contacted the land owners relative to the acquisition of the property by the State; and, you further stated that you would notify Mr. Turner as soon as you got back to North Carolina that he should begin negotiations with owners. Neither the owners nor the owners' attorneys had heard anything from Mr. Turner until approximately a month ago. I telephoned Mr. Turner to ask what progress had been made and was advised by him that until that very week (early January) funds had not been available from any foundation but that now they were available and he would take steps toward having an appraisal made of the property.

The owners of the property feel that they are entitled to know how much money is available for the acquisition of the property and where it is coming from. It is apparent that if the Park Bill (H.R. 1784) should pass Congress in this session, no money can be appropriated by the State of North Carolina and none will be available until the latter part of 1967. Indeed, in view of the alarming state of world affairs at this time and the action of the Federal Government in failing to appropriate money for the New Hope Dam Project, it is doubtful that the State would appropriate money in 1967, or in the near future, for acquiring the Cape Lookout property; therefore, I would like to ask you if private property owners are to be held up and constantly delayed and thwarted in their efforts to improve and develop their holdings, solely because some people are hopeful that some day a National Park may be established in the area. I would call to your attention the fact that for several years these property owners have been able to do very little with their holdings, simply because it has been rumored time and time again that a park is going to be established at Cape Lookout. The people have been led to believe that the money is available. In fact, Senator Jordan, at the Senate Subcommittee hearing in Washington, made a statement that the money was on hand and that most of the property had been acquired, but this statement was absolutely erroneous. Can you tell us where we stand at this date, or do the property owners have to resort to court action to grant them their God-given and Constitutional rights?

I am sending a copy of this letter to W. W. Staton, Attorney at Law, Sanford, North Carolina; Judge Luther Hamilton, Attorney at Law, Morehead City, North Carolina; Mr. Claude Wheatley, Attorney at Law, Beaufort, North Carolina, who appear with me in this matter and who are aware of the facts as stated herein. Also, copies