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this bill which will amend the 1966 Act to permit the United States to acquire the gun club by purchase or exchange. The United States would continue to accept donations of the lands already acquired by the State and all of the other remaining lands within the existing boundary which the State will continue to acquire. Most important, the amendments will permit the Secretary of the Interior to declare the seashore established when an administrable unit has been acquired, thus allowing that action to be taken much sooner than otherwise possible.

Deputy Asst. Secy.  
Wheeler testifying:

The 1966 Act also excluded some 232 acres from the National Seashore, apparently because at that time they were believed to be extensively developed. As explained in our Departmental report, this is not actually the case. Furthermore, the State has recently acquired 177 acres of the excluded land. The State desires also to donate this property for the National Seashore, and the bill would amend the Act to include this land within the seashore boundaries. In consideration of this donation, the State would expect to be relieved at least in part of the obligation of acquiring the Core Banks Gun Club, through the provisions allowing its purchase or exchange by the Secretary, but would substantially assist in funding this acquisition. The United States would also expect to acquire the remaining 55 acres which are now excluded.

Finally, the acquisition and development ceiling imposed by the Act is not sufficient to keep up with the escalation in

W Heeler, cont.:

1 escalated over the years, and our estimates indicate that  
2 these improvements will be greater than the current ceiling  
3 allows.

4 Due to the fragile ecology of the area, development will,  
5 nonetheless, be kept to a minimum. The main categories of  
6 development will be pollution abatement facilities, utilities,  
7 ferry access centers, removal of structures and waste materials,  
8 foot and bike trails, campsites, interpretation, and recreation.  
9 It should be noted that no hard-surface roads will traverse  
10 the seashore. Therefore, we concur with the final amendment to  
11 delete the limitation on appropriations for acquisition and  
12 development and to substitute an open-ended authorization that  
13 will enable the 1973 master plan to be carried out.

14 Mr. Chairman, the public has not yet been able to enjoy  
15 the benefits of a national seashore at Cape Lookout even though  
16 Congress so intended as soon as possible after the 1966 Act.  
17 The favorable action of the Committee and the Congress on these  
18 amendments will finally enable the Department to designate the  
19 Cape Lookout National Seashore and to proceed with acquisition  
20 and development.

21 This concludes my prepared statement. I will be happy  
22 to respond to your questions.

23 Mr. Taylor. Thank you, Mr. Secretary.

24 I understand from your statement that the 1966 Act  
25 excluded some 232 acres which were considered to be developed

Chr. Taylor, cont.:

1 to place in the park but since that time reconsideration has  
2 been made and a decision is reached that they could well be  
3 added and the State has already acquired 177 acres of this  
4 excluded land which the State is now willing to donate as part  
5 of the park.

6 Mr. Wheeler. That is correct, Mr. Chairman. And the area  
7 which you now refer to is depicted as a very small spot of white  
8 at the bight where Mr. -- we are now pointing on the map here.  
9 I do not know if you can see that from where you are. But  
10 that property was acquired by the State or part of it was  
11 acquired by the State in the course of its acquiring other  
12 property within the original boundaries and now if this  
13 exclusion is removed, that land will be donated to us and we  
14 would have the responsibility for acquiring roughly 55  
15 additional acres so that we would eliminate the exclusion and  
16 the bill so provides.

17 Mr. Taylor. Of course, the effect would be a larger and  
18 perhaps a better park.

19 Mr. Wheeler. Yes, sir.

20 Mr. Taylor. Now, the State has also had difficulty in  
21 acquiring this gun club property. It is now in litigation in  
22 a condemnation suit and your recommendation is that since the  
23 State has gone beyond the original arrangements in acquiring  
24 this 177 acres that the Federal Government pick up and finish  
25 the job of acquiring the gun club property.

1 Mr. Wheeler. That is correct. Shackleford Banks is the  
2 area that runs roughly east and west here now being pointed out  
3 on the map and that is the area originally intended to be  
4 acquired by the Federal Government in addition to the isolated  
5 administrative headquarters on the mainland at Harker's  
6 Island.

7 Mr. Taylor. I have a constituent who is an attorney who  
8 owns one of those tracts and he has written me numerous times,  
9 when is the Federal Government going to get moving in acquiring  
10 the Shackleford Banks property? My sister will not have forever  
11 and she needs the money.

12 Mr. Wheeler. We are precluded from doing so under the  
13 terms of the 1966 Act.

14 Mr. Taylor. We need some positive figures with regard to  
15 acquisition costs and development costs. We do not want to  
16 leave an open-ended authorization.

17 Mr. Wheeler. We will be able to provide those figures for  
18 the record. I can rough them out for you now if you like or  
19 submit them to you.

20 Mr. Taylor. All right.

21 Mr. Wheeler. But you will recall that the original authori-  
22 zation for land acquisition was \$265,000. Even at that time,  
23 it was probably a low estimate. It assumes, for instance, that  
24 some ocean front property could be had for \$80 an acre. Our  
25 present recommendation for land acquisition is \$13.1 million

*Wheeler, cont.:*

1 and this is acquiring only the lands originally proposed plus  
2 those those additional 55 acres in the excluded area. So we  
3 are not talking about expanding the Federal land acquisition  
4 authority in terms of numbers of acres but just reflecting  
5 the increase, tremendous increase in the costs of ocean front  
6 property which are phenomenal, as you know.

7 Mr. Taylor. Is most of this now the increased cost of  
8 acquiring the Shackleford Banks property?

9 Mr. Wheeler. Yes, sir, primarily, and the Harker's Island  
10 administrative site. Now I might point out to you that that  
11 \$13.1 million figure includes an estimate for the gun club  
12 property and that figure would be reduced to the extent that  
13 the State makes a contribution.

14 Mr. Taylor. What is the estimated figure on the gun club  
15 property?

16 Mr. Wheeler. Sir, I would prefer to provide that confiden-  
17 tially, if I could.

18 Mr. Taylor. You get into the lawsuit?

19 Mr. Wheeler. That is right. We will be glad to provide our  
20 estimates to you for the confidential records of the Committee.

21 Mr. Taylor. Now, what about your development cost?

22 Mr. Wheeler. Development was originally proposed at  
23 \$2,935,000. We now see an increase of \$18 million or there-  
24 abouts to a total of \$20 million. Again, this does not reflect  
25 a fundamental change in the development program but just

1 which at that time were considered reasonable. So much of this  
2 land was acquired for less than \$50 an acre.

3 *Testimony of Asst. Secy. of Administration, N.C.*  
*Thomas W. Ealhardt:*  
4 There remained in 1973 some 2,100 acres, all of which were  
5 involved in condemnation actions. Of the 26 remaining  
6 properties, four parcels of land encompassed over 1,700 acres.

7 Because of skyrocketing land values, the \$700,000 available in  
8 May of 1973 was nor nearly enough to complete the acquisition  
9 of the remaining 2,100 acres or Core Banks. It was in May of  
10 1973 that the North Carolina General Assembly voted an additional  
11 \$5.2 million to complete the acquisition of the Core Banks  
12 land. Since May of 1973 the majority of this land has been  
13 acquired. Of the four major parcels encompassing some 1,700  
14 acres, three have now been settled by negotiation. These three  
15 major properties, including the Charles Reeves property, the  
16 Gold heirs property, and the Davidson property are all located  
17 in the Cape area, which is the area of highest use by the  
18 public. And I might point these out on a chart. I hope you  
19 can see this. This is the area again known as the bight. This  
20 was pointed out to you by Mr. Wheeler a few moments ago. The  
21 Charles Reeves property was the area beginning here. This is  
22 to indicate all the way out to Cape Point. This is an area of  
23 extremely high use by fishermen, campers and naturalists. The  
24 Gold heirs property is this area of beach front right along  
25 here and this is also an area of very high use. The Davidson  
property is on the inside and this is also an area of high

*Earnhardt, cont.*

1 use.

2 The State has now acquired all those remaining cape pro-  
3 perties, the large pieces right on the end of the cape.

4 Of great significance in the acquisition of the three Cape  
5 properties is the fact that the State acquired by gift from Mr.  
6 Charles Reeves a tract of land encompassing approximately 180  
7 acres which had previously been excluded from park boundaries.

8 Let me point out Mr. Reeves' property which was originally  
9 under condemnation was the property, the beachfront property  
10 running along here, including the Cape area, this area in here,  
11 and running along the beachfront. Now, the area which the  
12 Federal Government did not require us to get in the original  
13 legislation was this inside tract of approximately 180 acres.  
14 This was also owned by Mr. Reeves and a few others. Mr. Reeves  
15 has donated to the State that 180 acres. The State feels this  
16 is of prime use because this is an area of access by the general  
17 public and this is the area of easiest access, a very safe  
18 harbor. It is completely surrounded by a land mass that does  
19 offer protection from storms and many boats anchor there going  
20 up and down through the waterways. They go through that area  
21 for recreational use.

22 Mr. Taylor. And that was a part of the area excluded from  
23 the original Act.

24 Mr. Earnhardt. Yes, and the State did acquire this  
25 from Mr. Reeves. We had feared for some time that this would

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

*Earnhardt, cont.*

1 be developed, that we would have condominiums and other high  
2 density development out there but Mr. Reeves did donate this  
3 to the State and the State purchased his 525 acres that were  
4 under condemnation. The area located on the inside of the  
5 bight of Cape Lookout will provide far better access to the  
6 boating public and any ferry system that might be set up than  
7 would have been possible without these additional lands. Even  
8 though Mr. Reeves has presented the State with a warranty deed  
9 based on a Torrens title, approximately six acres of the 180  
10 acres of gift land are in dispute by individuals who claim to  
11 have some interest in the Reeves property. Negotiations are now  
12 underway, and it is hoped that agreement is near with the  
13 individuals claiming an interest in the gift land. We have  
14 just about cleared this up and we do not think this six acres  
15 will be any problem at all.

16 With the acquisition of the Reeves, Gold, and Davidson  
17 property, virtually all land on Core Banks has been acquired  
18 except for the Core Banks Gun Club. Aside from the 900 acres  
19 of gun club property, only 89 acres of land is now in dispute  
20 on Core Banks and settlement is near with much of this land.  
21 We feel that the 89 acres aside from the Core Banks Gun Club,  
22 we feel we will be able to settle probably 70 acres within the  
23 next several months, so Core Banks Gun Club is virtually all  
24 that stands between the State and complete acquisition of Cape  
25 Lookout National Seashore, the Core Banks part of it.



*Asst. Secy. Earnhardt, cont:*

1 of North Carolina. On May 17, 1974, Governor James E. Holshouser  
2 wrote Secretary Rogers Morton a letter in which he stated,  
3 "The donation of 180 acres of prime land in the Cape area should,  
4 I feel, serve as a sizeable setoff to the cost of the gun club  
5 property." In that letter to Secretary Morton the Governor  
6 authorized Dr. Arthur Cooper and me, Mr. Thomas Earnhardt, to  
7 negotiate with members of the staff of the Department of the  
8 Interior a cash donation by the State of North Carolina to the  
9 Department of the Interior for the purpose of acquiring Core  
10 Banks Gun Club if the State is unable to reach a reasonable  
11 settlement in the near future.

12 It is the opinion of the Governor and all of those who have  
13 worked with the Cape Lookout project in recent years that Cape  
14 Lookout National Seashore can become areality in the very near  
15 future. This is why we have come today to support H.R. 14843.  
16 This bill has the support of the Governor and others associated  
17 with the park project has everything necessary to assure the  
18 completion of the entire project. This bill includes within the  
19 park boundaries the additional 180 acres which has recently  
20 been acquired by the State of North Carolina through the donation  
21 by Mr. Charles Reeves. The bill also deletes the requirement  
22 that all property on Core Banks be acquired by the State of  
23 North Carolina by giving authority to the Secretary of the  
24 Interior to acquire lands on Core Banks by purchase, donation,  
25 or exchange. This provision would allow the Department of the

*Earnhardt, cont.*

1 Interior with the help of the State of North Carolina to move  
2 ahead immediately to acquire any remaining properties on Core  
3 Banks, especially the Core Banks Gun Club.

4 As we can see, Shackleford would get started very quickly  
5 before land prices start rising in that area. As Mr. Wheeler  
6 pointed out, land prices up and down the North Carolina Coast  
7 have skyrocketed. At the Morehead City area, a thousand dollars a  
8 front foot is the going rate right now and this is one reason  
9 why the State's costs have risen so significantly just in  
10 recent months even, because of the soaring land values.

11 Perhaps the most important provision of H.R. 14843 is  
12 that it authorizes the Secretary of the Department of the  
13 Interior to declare National Seashore status at Cape Lookout at  
14 such time as an efficiently administrable unit is vested in  
15 the United States Government.

16 In his letter to Secretary Morton on May 17th, Governor  
17 Holshouser stated, "It is my belief that with the additional  
18 180 acres in the Cape area you should announce (the establish-  
19 ment of) Cape Lookout National Seashore immediately after the  
20 passage of the attached legislation. Core Banks Gun Club can  
21 be acquired in the near future and is not necessary to a  
22 manageable park area."

23 With the establishment of Cape Lookout National Seashore,  
24 Core Banks and Shackleford Banks will provide one of the most  
25 unique undeveloped recreation areas in the entire nation.

1 Gun Club?

2 Mr. Earnhardt. Yes, sir.

3 Mr. Taylor. And in addition, we are going to -- the bill  
4 proposes to include in the park that little excluded area --

5 Mr. Earnhardt. Right.

6 Mr. Taylor. -- which was subject to development.

7 Mr. Earnhardt. This 180 acres was on the inside of the  
8 bight at Cape Lookout, sort of the rounded area there on the  
9 inside, which does provide great access. This was the part  
10 that for some reason was excluded in 1966 and Mr. Reeves and  
11 others had planned -- there were numerous development plans  
12 drawn up over the past few years but Mr. Reeves did agree to  
13 give this to the State, so the State now has that in its  
14 possession and with the exception of a few -- very, very few  
15 small tracts which Mr. Wheeler has already talked about, every-  
16 thing in the Cape area would be ready to be turned over to the  
17 Federal Government at such time as the national seashore is  
18 declared.

19 Mr. Taylor. So the State is in a position there to donate  
20 property for the project which was not contemplated in 1966.

21 Mr. Earnhardt. Not contemplated and very valuable property,  
22 property which we feel is of probably the highest, would be  
23 among the highest use of any properties in the entire Core  
24 Banks, Shackleford Banks area. This is where you see most of  
25 the boating public, most of the shell hunters and most of the

Hearings, House Subc. on Nat'l Parks and Recreation,<sup>2</sup>  
Chairman Roy A. Taylor speaking: Aug. 12, 1974

1 would require that the State complete acquisition of all the  
2 lands it was responsible for, before the National Seashore  
3 would be established.

4 The State has completed all but a small percentage of its  
5 land acquisition. The few remaining tracts are now in litigation.  
6 The State has also acted to acquire additional lands in the  
7 Cape Lookout area itself which were excluded in the original  
8 Act. It was thought at that time there was too much development  
9 coming there and it could not be secured. These lands will be  
10 extremely valuable as an addition to the seashore.

11 Since our hearings on H.R. 14843, the State has moved  
12 toward acquisition of the last remaining major parcel of land  
13 on Core Banks. The State has asked that the Federal Government  
14 contribute \$1 million toward the purchase of this property,  
15 and this is all new since our last hearing. Since the state  
16 has purchased additional lands in the Lookout Bight area, lands  
17 not required for the purchase, I think it proper for Congress,  
18 the Federal government, to give this extra \$1 million help.

19 We also have revised land acquisition costs for the areas  
20 to be acquired by the National Park Service. It appears that  
21 part of the increased costs are due to rapid escalation in  
22 coastal property values, as has just been mentioned by Secretary  
23 Wheeler. However, some of the increases are apparently due to  
24 inadequate appraisal made back in 1966, and that is why we  
25 are concerned about these areas. The gentleman from Kansas

STATEMENT OF MR. THOMAS W. EARNHARDT, ASSISTANT  
SECRETARY, NORTH CAROLINA DEPARTMENT OF ADMINISTRATION

Mr. Earnhardt. Mr. Chairman, members of this Committee, the last time I appeared before this Subcommittee on July 2nd in support of House Resolution 14843, I told the members of this Subcommittee about the progress which the State of North Carolina has made in recent months in acquiring the remaining lands in the Core Banks area, but I also told you there were some problems and we were working very hard to work out these problems.

Today I want to tell you where we stand with regard to all lands in the Core Banks properties and bring you completely up to date on where the state is. This is what has happened since July 2nd.

I indicate to you that the state had acquired approximately 180 acres from Mr. Charles Reeves which had previously been excluded from park boundaries and that of the 180 acres some six acres were in dispute by individuals who claimed to have an interest in the Reeves property. The State of North Carolina and the Department of Interior have agreed to allow eight individuals to continue to use their Core Banks homes for a period of 20 years in exchange for quit claim deeds from these individuals relinquishing all right, title, and interest in their property. These individuals will of course have to follow stringent regulations set down by the Department of Interior. This proposal is now under review by the claimants and their attorney.

*Earnhardt, cont. :*

1 I talked to their attorney yesterday and he does feel that  
2 we can strike an agreement and there will be no problem at all  
3 with regard to the Reeves gift property.

4 I also indicated at the last meeting of this Subcommittee  
5 dealing with Cape Lookout that aside from the approximately  
6 950 acres of the old Core Banks Gun Club property only 89 acres  
7 of land were still in dispute. Most of this 89 acres was in  
8 the Portsmouth Island area, the northern area, the Seashore  
9 Project. Of this remaining 89 acres, I am happy to report to  
10 you today that we have settled or reached tentative agreement on  
11 all but seven acres. This land was acquired not through condem-  
12 nation but through negotiation with the owners or their  
13 representatives.

14 In my last statement before this Subcommittee I referred  
15 to the Core Banks Gun Club numerous times. I was not aware  
16 at that time that the name had been changed to Core Banks Club  
17 Properties, Inc. As you will recall, a board of commissioners  
18 appointed by a State Superior Court Judge came to the conclusion  
19 that Core Banks Club Properties stockholders should be paid  
20 \$3,600,000 for their land as of the date of taking, under North  
21 Carolina statute, which was October 9, 1970. Attorneys for  
22 Core Banks Club Properties have contended for some time now that  
23 the date of taking under North Carolina Statute is not realistic  
24 and they also contend it is unconstitutional. An updated  
25 commissioner's award from October, 1970 to the present, will

Rep. Joe Skubitz:

23

1 over to the library, either. But that is not the point I  
2 am interested in. What I am interested in is knowing of the  
3 \$1 million, you purchased some land that was not a part of  
4 the park.

5 Mr. Earnhardt. Yes, sir.

6 Mr. Skubitz. It was never intended to be a part of the  
7 park under the statute itself.

8 Mr. Earnhardt. Right.

9 Mr. Skubitz. And now you are giving that to us, and in  
10 turn you are asking us to give you \$1 million credit on the  
11 Core Gun Club.

12 Is this correct?

13 Mr. Earnhardt. Yes, sir. Basically this is correct. We  
14 feel that the land which was acquired from Mr. Reeves is quite  
15 valuable. We are not asking for a perfect swap.

16 Mr. Skubitz. What did you pay for the property you gave  
17 us?

18 Mr. Earnhardt. It was a donation, as I indicated.

19 Mr. Skubitz. But we are not giving the donor anything. We  
20 are giving the state credit for \$1 million for giving us the  
21 donation.

22 Is that right?

23 Mr. Earnhardt. Yes. The land is held by the state now  
24 and it is valued --

25 Mr. Skubitz. I understand that, but is it a part of the

Skubitz, cont. :

1 land that is considered a part of this park?

2 Mr. Earnhardt. Very definitely. It is right in the heart  
3 of the Cape Bight area. I wish I had a map of the Cape with  
4 me right now. But Cape Lookout has a hook and it goes out to  
5 a point. The inside of the hook is the area that we are  
6 donating.

7 Mr. Skubitz. I was under the impression that this was  
8 not inside of the park area.

9 Mr. Earnhardt. I am talking about the outer banks area.  
10 The original boundaries of Cape Lookout National Seashore  
11 excluded about 200 acres in the Cape Bight, which was the --  
12 I think we will have an explanation here.

13 (Pause.)

14 Mr. Earnhardt. The original boundaries excluded certain  
15 properties. Why they are excluded I cannot tell you because  
16 I do not know. But certain lands were excluded in the hook  
17 area of the Cape, and we felt that those lands were extremely  
18 important since they did make up an access area the public  
19 has used for years and years and years. And this land was  
20 subject to extensive development.

21 Mr. Skubitz. You have answered my question. That area  
22 was actually excluded and now it has been given to you as a  
23 gift and you are giving it to us. And, in turn, you are asking  
24 for credit for \$1 million.

25 Mr. Earnhardt. I am suggesting that the state is making a



1 contribution of land. I am not saying we are swapping land  
2 for money, sir. I am just saying that there is some consideration  
3 going from the state.

4 Mr. Skubitz. I want to make my position clear to you. I  
5 feel duty-bound and honor-bound to go through with an agreement  
6 that was made with the state when I was a member of this  
7 Committee. But by the same token, I am trying to cut out  
8 everything that will ease my conscience just a little bit.

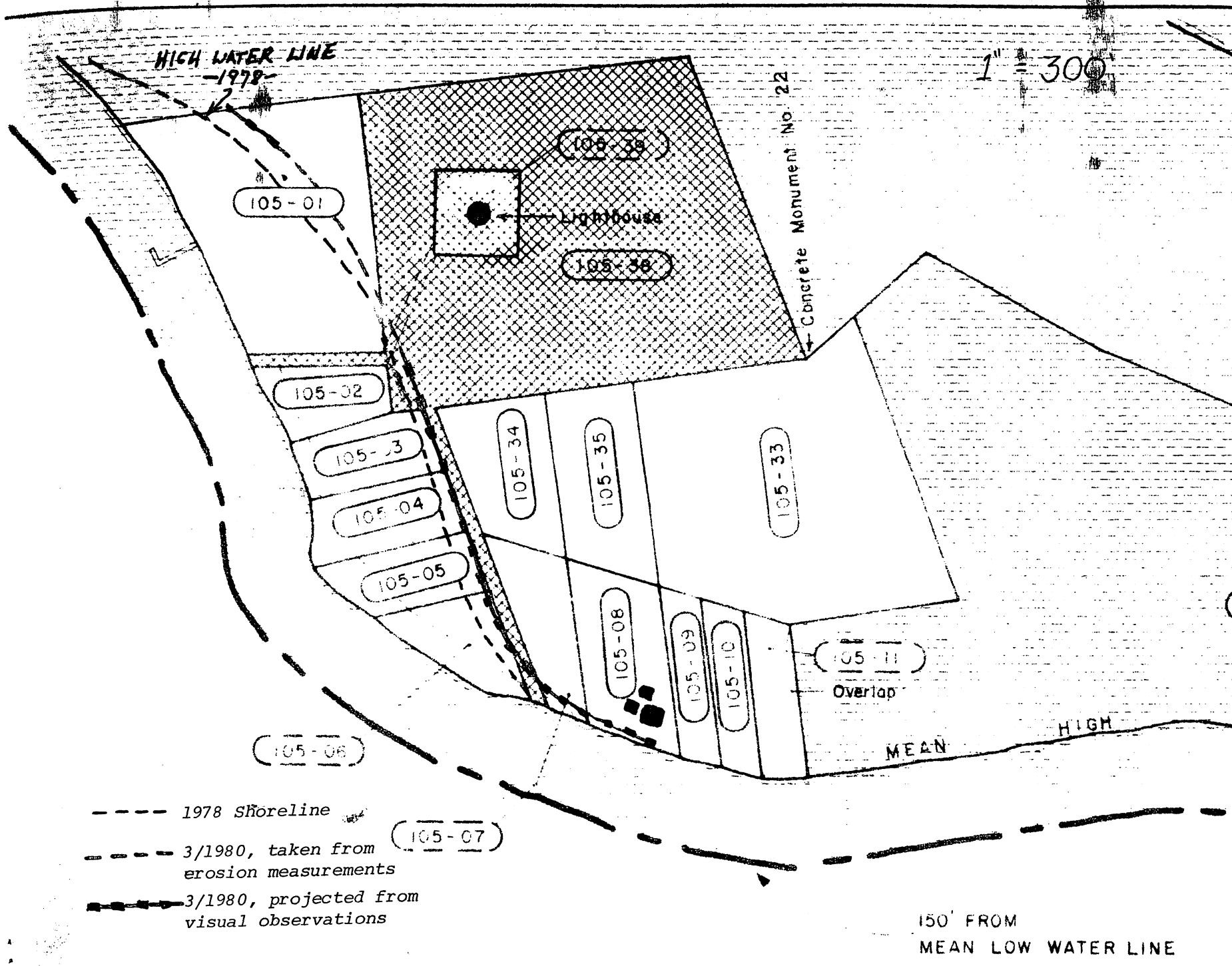
9 Now the next point that I would like to ask you, do you  
10 know of any agreements made with the state or anyone else when  
11 we first passed the act in 1966 that we were going to make  
12 any agreements relating to access roads or the development of  
13 a city there, an historical area or the building of various  
14 headquarters and locating them in different areas and that  
15 sort of thing?

16 Were there any commitments made to the state in 1966?

17 Mr. Earnhardt. I am not aware, sir, of any specific  
18 commitments as far as development plans and historic monuments  
19 are concerned. However, I do feel that obviously we do have  
20 a seashore making up 50 miles of beachfront here, and another  
21 12 miles --

22 Mr. Taylor. Point out the Core Banks area on your map.

23 Mr. Earnhardt. It runs 54 miles from Portsmouth Island down  
24 to Cape Lookout, and Shakelford Banks is roughly 12 miles.  
25 I feel that, obviously, we have to have some access.



HIGH WATER LINE  
-1978-

1" = 300'

105-01

105-37

Lighthouse

105-38

Concrete Monument No. 22

105-02

105-03

105-04

105-05

105-34

105-35

105-33

105-08

105-09

105-10

105-11

Overlap

105-06

MEAN HIGH

- 1978 Shoreline
- . - . - . 3/1980, taken from erosion measurements
- 3/1980, projected from visual observations

105-07

150' FROM MEAN LOW WATER LINE

REEVES TRACT IS 105-08