



To: Town of St. James Town Council
From: Anchorpoint Planning: Wes MacLeod, AICP, ASLA
Anchorpoint Planning: Ron Satterfield, Director of Planning Services
Date: January 30, 2026
Re: Harbor Development Corp., Canal Associates, LLC, D.R. Development Corporation: Development Agreement and Adoption Ordinance

Purpose and Background

A development agreement is a contractual agreement between a local government and a property owner or developer that establishes certain vested rights, permit approval procedures, and any applicable public facility commitments for a specific development project over a defined period of time – typically 20 or 25 years. Development agreements are authorized under North Carolina General Statutes Chapter 160D, Article 10, and are intended to provide certainty for long-term or phased development projects that require coordinated public and private investment.

Development agreements are typically used for large or complex projects that occur over multiple phases, involve significant infrastructure coordination, or require long-term assurance of applicable development standards. While they allow for flexibility and negotiated development conditions, they do not exempt a project from compliance with applicable state and local laws, including zoning regulations, building codes, and housing codes. In this particular circumstance, the regulations proposed for the conditional zoning request for the property would establish the applicable zoning and development regulations.

Approval and Adoption Process

A development agreement must be approved by the Town Council following a legislative public hearing. The hearing notice requirements are the same as those applicable to zoning map amendments and must identify the property subject to the agreement, the proposed development uses, and where the proposed agreement can be reviewed. The governing board must approve the development agreement, and the agreement may be considered concurrently with a rezoning, subdivision approval, or site plan approval. Once approved, the agreement must be recorded with the county register of deeds.

Summary of Proposed Development Agreement

The proposed Development Agreement between the Town and the project landowners establishes the framework for the long-term development of approximately 142 acres located along NC Highway 211, including property currently within the Town and property proposed for

annexation. The agreement is intended to provide coordinated development standards, vesting of development rights, and defined responsibilities for both the Town and the developer over a 25-year term. The development is planned as a multi-phase mixed-use project with up to 1,902 residential units and approximately 34,986 square feet of commercial space, consistent with the attached Concept Plan and associated conditional zoning conditions.

The agreement outlines obligations and commitments by both parties, including annexation and rezoning approvals, infrastructure responsibilities, land transfers, and easements. The landowners are responsible for constructing internal infrastructure and connecting to public utilities, while the Town will consider annexation, conditional zoning approvals, and acceptance of certain roadway dedications subject to applicable standards. The agreement also provides for the conveyance of land for municipal purposes (including a storm debris facility and parking area), reimbursement provisions related to relocation of Town facilities, and easements to support access, drainage, and utilities.

Vesting, Administration, and Phasing

Upon execution, the agreement provides vested development rights for the term of the agreement (20 or 25 years) under the regulations in effect at the time of approval, subject to applicable state and federal law. The project may be developed in phases at the discretion of the landowners, and the Town may periodically review development progress. Administrative review of site plans and development approvals is proposed to occur at the staff level, consistent with the agreement and adopted conditional zoning conditions, with appeal rights preserved as provided by Town ordinance and state law. The agreement also establishes procedures for amendment, breach, and enforcement, and requires recordation with the Brunswick County Register of Deeds prior to issuance of development approvals