

## **Wilmington - New Hanover Consolidation Defeated**

by

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The proposed consolidation of the City of Wilmington and New Hanover County, North Carolina, was defeated in a countywide vote - 15,923 to 11,377 - on October 10, 1995. It was the fourth time a proposed merger of the two governments had been rejected.

The first vote was held on March 28, 1933, and was defeated 78% to 22%. The second vote came 40 years later, on February 27, 1973, and was rejected by a margin of 74% to 24%. Fourteen years later, on October 6, 1987, the voters again turned down a proposed consolidation, but with a smaller margin: 59% against and 41% in favor, including, for the first time, a favorable majority for consolidation by the voters within the City. The 1995 vote, just eight years after the third attempt at merger, was rejected by almost the same margin as in 1987: 58% against and 42% for.

### **Developing the Proposed Charter**

The fourth attempt at consolidation arose in 1994 and was fueled to a large extent by Wilmington's announcement of a major long-range annexation plan. The opponents of annexation (those who were facing annexation) sought and found sympathetic ears among the members of the Board of County Commissioners. Out of the discussions among all the parties an agreement was reached. It called for a serious look at consolidation and a delay of the City's first stage of annexation (three stages are projected) until after a consolidation vote.

On February 28, 1995, the two governing boards established a consolidation study commission with authority to call for a referendum. Members of the two boards comprised the commission. The managers and attorneys of the two units served as staff to the study commission. The first draft of the proposed charter was completed in early June and the final draft was completed by early August, undoubtedly a record for the shortest period of time used to develop a consolidation charter.

### **The Proposed Plan of Government**

Under North Carolina's general legislation with respect to cities, counties and consolidated governments, a unit's charter may be comparatively brief. Local governing bodies have broad discretion with respect to their internal organization and the functions and regulatory activities they may undertake under the general law. The proposed charter

took advantage of this flexibility and established the form and nature of the consolidated government in just 28 double-spaced pages.

The proposed consolidated government combined the powers of both the city and the county under North Carolina law. It called for a council-manager government with a mayor and six commissioners, all elected at-large in nonpartisan elections for four-year terms. Commissioners' terms were staggered.

The commissioners were given the authority to appoint and remove the manager, the attorney, and the clerk. The county sheriff was to become the first head of the merged law enforcement agency. Thereafter, the chief law enforcement officer and the chief of the consolidated fire department were to be appointed by the governing board, but then serve at the pleasure of the manager. The civil service system that covered a portion of Wilmington's employees was not carried forward to the merged government.

There are four cities in New Hanover: Wilmington and three smaller beach municipalities. The county covers an area of 185 square miles and has a total population of some 135,000. Of the total population, some 51 percent resides in the four municipalities: Wilmington, 60,866 (45.1%); Carolina Beach, 4,291 (3.2%); Kure Beach, 642 (.5%); and Wrightsville Beach, 3,045 (2.3%). The three beach towns were to remain independent and to have, essentially, the same relationship to the consolidated government as they have currently with the county government.

The proposed government would have had three service districts - one general and two urban - with three different levels of taxation and services.

The general service district was to cover the entire county. In this district, the functions of the present county government and other functions as the consolidated government might later determine, would have been provided countywide. Taxes to support these functions would have also been imposed countywide.

The plan called for the initial establishment of two urban service districts. The first urban service district would have covered all the county except the territory of the three beach municipalities. In this district there would have been a higher level of taxation to support a higher level of services in that district - largely those previously performed by the City of Wilmington. The second urban service district was to cover the area of the City of Wilmington and would have had a slightly higher tax to support a higher level of fire protection than was proposed for the first urban service district.

#### **The Vote**

As noted above, the proposal was defeated on a countywide basis, 58% to 42%. The vote, however, varied substantially from one subarea to another. In the City of Wilmington, the proposal carried 54% to 46%. In the full area proposed for future

annexation (in the absence of consolidation) the vote was also favorable, 55% to 45%. In one precinct in this area - one that was scheduled to be annexed on December 31, 1995 - 94% of the voters favored consolidation. In the three beach towns and the area immediately surrounding them, the vote was 86% against merger. And 80% of the voters in the area of the county not facing future annexation by Wilmington voted against the proposed merger.

Blacks appeared to have supported consolidation. In one black precinct, 74% of the voters approved the merger. In 1987, the vote in that precinct was 87% against. The sheriff, who is black, opposed consolidation in 1987, but favored it in 1995. Under the 1995 proposal the sheriff was to become the first head of the merged law enforcement agency, which was not the case in 1987.

Members of the two governing boards were not uniform in their support of the proposal. Chairman Bobby Greer of the Board of County Commissioners and Mayor Don Betz of Wilmington strongly supported consolidation. Not all of the members of the two boards staked themselves out on the proposal, but local observers believe that a majority were supporters.

Those favoring consolidation organized Citizens for Consolidation and New Hanover Communities Action Coalition to campaign for the proposal. The two organizations were supported principally by residents of the areas targeted for annexation and the business community. Their efforts focused on citizens inside Wilmington and those in the areas facing annexation by Wilmington. They emphasized the promise of lower taxes for those areas if consolidation received approval as compared with the level they would face after annexation and without consolidation. The county's Committee of 100 (which promotes economic development) and the Wilmington Chamber of Commerce endorsed consolidation. Both saw advantages in having a single local government working to attract new businesses and promoting the county's economy. The League of Women Voters of New Hanover strongly supported the merger, citing better planning, reduction of "Us vs. Them" attitudes of the two governments, a single place to go for citizens with local government concerns, and improved services throughout the county as the basis for its support.

There was no general organization of opponents. The local chapter of the Police Benevolent Association was strongly opposed and worked actively against the merger. Several of the volunteer fire companies located in the unincorporated area of the county actively opposed consolidation. The Carolina Beach town council unanimously adopted a resolution opposing the merger plan. Some local observers are now satisfied that a majority of city and county employees voted against the proposal. The *Wilmington Star*

opposed the merger in its editorial columns. The paper characterized the charter as a "pig in a poke" because of its brevity and the absence of detailed arrangements. It feared what the state legislature might change and also considered the promised tax savings as illusory. In 1973 and 1987 the paper had supported consolidation.

According to local observers, there were at least seven chief issues that were highlighted in the weeks before the referendum:

*Wilmington's annexation.* Those facing annexation strongly supported consolidation. But annexation was probably negatively viewed by those outside the city who did not face annexation. Some of these citizens seemed to view merger as another form of municipal annexation.

*Beach towns' status.* Despite the fact that they were to remain independent and could not be merged into the consolidated government without their approval, many citizens, employees, and officials of these towns seemed to fear the future dissolution of their communities and the resulting loss of their identity. Proponents were not effective in allaying these fears

*Urban service districts.* The proposal for extending the first urban service district to the entire county, less the beach towns, created much confusion in the eyes of many citizens. Many feared that their taxes would go up but that the services (which they equated with those provided currently inside Wilmington) would not be provided. The urban service district plan was a major objection of the newspaper.

*Police and fire mergers* Employees in these two agencies of the city were strongly against the merger proposal. They also objected to their loss of civil service protection.

*Protection of city and county general employees.* As noted before, local observers think that most employees opposed the proposed consolidation. Unlike many consolidation charters and the two most recent ones in New Hanover, the 1995 charter contained no job and benefit protection provisions for employees.

*Election of mayor and commissioners.* The charter proposed to have the commissioners elected at-large on a countywide basis. A number of voters (probably a minority, but this cannot be confirmed) favored district elections of the governing board members. How this balanced out is uncertain, but continuation of the present at-large election arrangement probably was favored by a majority of the county's citizens.

*The short charter.* The absence of detail in the charter was an issue that made it objectionable to the editors of the newspaper and to other citizens in public comments. Closely allied to this objection was the ability of the state legislature to change the charter when it was submitted to that body for enactment. The legal control over local governments by the legislature under the state's constitution could not be avoided - a fact

that was not fully appreciated by those concerned over possible future action by the General Assembly.

### **Monday Morning Quarterbacking**

The record of previous defeats of city-county mergers in Wilmington and New Hanover, those elsewhere in North Carolina, and those throughout the nation affirms that a successful referendum is not easily achieved. More than four out of five proposals have lost in the past 75 years. Nevertheless, it appears that the charter commission and proponents might have made a few different decisions that, in light of the way the campaign developed, could have produced a more favorable vote. It cannot be suggested that the changes would have been enough to secure approval by the voters.

1. *Beach towns.* An effort early in the study process to inform the officials and citizens of the beach communities that they would retain their separate status and that they would be merged only with their agreement could have reduced the level of the opposition in these towns. As noted above, at least some of the opposition seems to have been based on a misunderstanding of the proposed arrangements and the power citizens and officials retained over their own destiny.

2. *News media.* The loss of the editorial support from the local newspaper was undoubtedly a significant one. Again, discussions with the editors and other news media representatives early in the process to ensure they were fully informed as to the *why* of some of the decisions might have turned an opponent into a supporter.

3. *Tax savings.* The tax savings information distributed by proponents in the weeks before the vote was questionable and unbelievable to many. More modest claims and greater concern for complete accuracy could have undercut some of the opposition.

4. *Two urban service districts.* The proposal to have the principal urban service district cover all of the county except the area inside the three beach communities created much confusion and made it difficult to project both costs of services and taxes. It was difficult to be clear as to which service would be provided throughout the district and just what level would be available over its entire area. In the two most recent previous attempts, the plan developed called for a single urban service district that would cover the area of the city of Wilmington. Expansion of that district was to be accomplished by annexation in the years ahead. In retrospect, this approach appears to be subject to less confusion and debate about tax levels, costs of service, and the schedule on which services would be extended.

5. *Protection of employees.* As noted before, employees of the governments proposed for merger are typically opponents of consolidation. Their opposition in this case would probably have been lowered if the plan had called for all employees to

continue in employment and without any reduction in salary or benefits, and depended on normal attrition to achieve anticipated savings in the number of employees needed.

To repeat, one cannot be positive that changes in the above actions and decisions would have resulted in a favorable vote on the proposed merger. But in light of the points of opposition, it seems likely that the changes would have at least reduced the margin of defeat.

#### **After the Vote**

Since the referendum, the Wilmington City Council has proceeded with its annexation plan. An ordinance annexing 10 of the eventual 27 square miles called for by the plan became effective on December 31, 1995, but has been challenged in the court. There are no current plans for mounting another consolidation effort. Given the long interest in city-county consolidation in New Hanover, it would not be surprising if another attempt is made in 5 to 10 years after Wilmington has completed its current long-range annexation plans.

Elsewhere in North Carolina, city-county consolidation has also been under consideration for the past three years. Efforts in Durham County and the City of Durham that were started in early 1994 were ended in early 1995 in the face of declining support from elected officials before a charter was produced. A commission examining the possible merger of Elizabeth City and Pasquotank County was directed in October of 1995 to change its focus from merger of the two governments to the merger of particular functions, whereupon the members quit.

In Charlotte and Mecklenburg County a consolidation effort that started in 1994 continues. A charter has been developed by a charter drafting committee. It is now in the hands of a charter commission that will review the work of the committee and conduct public hearings. A vote on the merger is currently anticipated for the fall of 1996.

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