

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 767
Second Edition Engrossed 5/13/93

Short Title: Charlotte/Mecklenburg Development.

(Local)

Sponsors: Senators Odom; Richardson, and Blackmon.

Referred to: Rules and Operation of the Senate.

April 8, 1993

A BILL TO BE ENTITLED

1 AN ACT TO MODIFY THE AUTHORITY OF MECKLENBURG COUNTY AND
2 THE CITY OF CHARLOTTE TO UNDERTAKE LOCAL DEVELOPMENT
3 ACTIVITIES.
4

5 The General Assembly of North Carolina enacts:

6 Section 1. G.S. 158-7.1 reads as rewritten:

7 "**§ 158-7.1. Local development.**

8 (a) Each county and city in this State is authorized to make appropriations for the
9 purposes of aiding and encouraging the location of manufacturing enterprises, making
10 industrial surveys and locating industrial and commercial plants in or near such city or
11 in the county; encouraging the building of railroads or other purposes which, in the
12 discretion of the governing body of the city or of the county commissioners of the
13 county, will increase the population, taxable property, agricultural industries and
14 business prospects of any city or county. These appropriations may be funded by levy of
15 property taxes pursuant to G.S. 153A-149 and 160A-209 and by the allocation of other
16 revenues whose use is not otherwise restricted by law.

17 (b) A county or city may undertake the following specific economic development
18 activities. (This listing is not intended to limit by implication or otherwise the grant of
19 authority set out in subsection (a) of this section). The activities listed in this subsection
20 (b) may be funded by the levy of property taxes pursuant to G.S. 153A-149 and G.S.
21 160A-209 and by the allocation of other revenues whose use is not otherwise restricted
22 by law.

- 1 (1) A county or city may acquire and develop land for an industrial park,
2 to be used for manufacturing, assembly, fabrication, processing,
3 warehousing, research and development, office use, or similar
4 industrial or commercial purposes. A county may acquire land
5 anywhere in the county, including inside of cities, for an industrial
6 park, while a city may acquire land anywhere in the county or counties
7 in which it is located. A county or city may develop the land by
8 installing utilities, drainage facilities, street and transportation
9 facilities, street lighting, and similar facilities; may demolish or
10 rehabilitate existing structures; and may prepare the site for industrial
11 or commercial uses. A county or city may engage in site preparation
12 for industrial properties or facilities, whether the industrial property or
13 facility is publicly or privately owned. A county or city may convey
14 property located in an industrial park pursuant to subsection (d) of this
15 section.
- 16 (2) A county or city may acquire, assemble, and hold for resale property
17 that is suitable for industrial or commercial use. A county may acquire
18 such property anywhere in the county, including inside of cities, while
19 a city may acquire such property inside the city or, if the property will
20 be used by a business that will provide jobs to city residents, anywhere
21 in the county or counties in which it is located. A county or city may
22 convey property acquired or assembled pursuant to this paragraph
23 pursuant to subsection (d) of this section.
- 24 (3) A county or city may acquire options for the acquisition of property
25 that is suitable for industrial or commercial use. The county or city
26 may assign such an option, following such procedures, for such
27 consideration, and subject to such terms and conditions as the county
28 or city deems desirable.
- 29 (4) A county or city may acquire or construct one or more 'shell buildings',
30 which are structures of flexible design adaptable for use by a variety of
31 industrial or commercial businesses. A county or city may convey or
32 lease a shell building or space in a shell building pursuant to
33 subsection (c) of this section.
- 34 (5) A county or city may construct, extend or own utility facilities or may
35 provide for or assist in the extension of utility services to be furnished
36 to an industrial facility, whether the utility is publicly or privately
37 owned.
- 38 (6) A county or city may extend or may provide for or assist in the
39 extension of water and sewer lines to industrial properties or facilities,
40 whether the industrial property or facility is publicly or privately
41 owned.
- 42 (c) Any appropriation or expenditure pursuant to subsection (b) of this section
43 must be approved by the county or city governing body after a public hearing. The
44 county or city shall publish notice of the public hearing at least 10 days before the

1 hearing is held. The notice shall describe the interest to be acquired, the proposed
2 acquisition cost of such interest, the governing body's intention to approve the
3 acquisition, the source of funding for the acquisition and such other information needed
4 to reasonably describe the acquisition.

5 (d) A county or city may lease or convey interests in real property held or
6 acquired pursuant to subsection (b) of this section in accordance with the procedures of
7 this subsection (d). A county or city may convey or lease interests in property by private
8 negotiation and may subject the property to such covenants, conditions, and restrictions
9 as the county or city deems to be in the public interest or necessary to carry out the
10 purposes of this section. Any such conveyance or lease must be approved by the county
11 or city governing body, after a public hearing. The county or city shall publish notice of
12 the public hearing at least 10 days before the hearing is held; the notice shall describe
13 the interest to be conveyed or leased, the value of the interest, the proposed
14 consideration for the conveyance or lease, and the governing body's intention to approve
15 the conveyance or lease. Before such an interest may be conveyed, the county or city
16 governing body shall determine the fair market value of the interest, subject to whatever
17 covenants, conditions, and restrictions the county or city proposes to subject it to; the
18 consideration for the conveyance may not be less than the value so determined.

19 (d1) In arriving at the amount of consideration that it receives, the Board may take
20 into account prospective tax revenues from improvements to be constructed on the
21 property, prospective sales tax revenues to be generated in the area, as well as any other
22 prospective tax revenues or income coming to the county or city over the next 10 years
23 as a result of the conveyance or lease provided the following conditions are met:

- 24 (1) The governing board of the county or city shall determine that the
25 conveyance of the property will stimulate the local economy, promote
26 business, and result in the creation of a substantial number of jobs in
27 the county or city.
- 28 (2) The governing board of the county or city shall contractually bind the
29 purchaser of the property to construct improvements on the property
30 within a specified period of time, not to exceed 10 years, which
31 improvements are sufficient to generate the tax revenue taken into
32 account in arriving at the consideration. Upon failure to construct the
33 improvements specified in the contract, the purchaser shall reconvey
34 the property back to the county or city.

35 This subsection applies to the Cities of Charlotte, Concord, Conover, Kannapolis,
36 Mocksville, Mooresville, Mount Airy, St. Pauls, Selma, Smithfield, Statesville,
37 Troutman, and Winston-Salem, and the Counties of Alleghany, Ashe, Cabarrus, Davie,
38 Forsyth, Franklin, Iredell, Johnston, Mecklenburg, and Rockingham.

39 (e) All appropriations and expenditures pursuant to subsections (b) and (c) of this
40 section shall be subject to the provisions of the Local Government Budget and Fiscal
41 Control Acts of the North Carolina General Statutes, respectively, for cities and
42 counties. The budget format for each such governing body shall make such disclosures
43 in such detail as the Local Government Commission may by rule and regulation direct.

1 (f) All appropriations and expenditures pursuant to subsections (b) and (c) of this
2 section shall be subject to the following limitations: No county or city shall have an
3 aggregate investment outstanding at any one time which exceeds one-half of one
4 percent (0.5%) of the outstanding assessed property tax valuation for the governing
5 body as of January 1 of each year, beginning January 1, 1986.

6 (g) Repealed by Session Laws 1989, c. 374, s. 1."

7 Sec. 2. This act applies only to Mecklenburg County and the City of
8 Charlotte.

9 Sec. 3. This act is effective upon ratification.