

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 1386  
Second Edition Engrossed 6/10/96

Short Title: Durham Assessments.

(Local)

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Sponsors: Senators Gulley and Lucas.

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Referred to: Finance.

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May 29, 1996

A BILL TO BE ENTITLED

1 AN ACT TO AMEND THE CHARTER OF THE CITY OF DURHAM TO ALLOW  
2 PAYMENT OF ASSESSMENTS OVER A LONGER PERIOD AND AT A  
3 REDUCED INTEREST RATE IN CASES OF SPECIAL FINANCIAL HARDSHIP.

4 The General Assembly of North Carolina enacts:

5 Section 1. Section 77 of the Charter of the City of Durham, being Chapter 671,  
6 1975 Session Laws, as amended, is further amended by adding a new subsection to read:

7 "(22.1) (a) Notwithstanding subsection 22 of this section, the City Council may  
8 allow payment of assessments over an extended period of time, not to exceed 20 years,  
9 and at a reduced interest rate where the property owner demonstrates special financial  
10 hardship. In case of an assessment for water or sewer improvements, the special payment  
11 provisions shall apply until the earlier of (i) when the owner makes application for  
12 connection to receive water or sewer service; or (ii) such time as a fee interest in the  
13 property is transferred or conveyed, whether voluntarily or involuntarily, and whether  
14 during the lifetime of the owner or by devise or descent. In case of an assessment for  
15 street paving, sidewalks, or other improvements, the special payment provisions shall  
16 apply until such time as a fee interest in the property is transferred or conveyed, whether  
17 voluntarily or involuntarily, and whether during the lifetime of the owner or by devise or  
18 descent. At the time of application for connection or the time of transfer or conveyance,  
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1 as applicable, the unpaid balance of the assessment shall become immediately due and  
2 payable in full. For purposes of this subsection, a lease, mortgage, or deed of trust shall  
3 not be considered as a transfer or conveyance of a fee interest in the property. In no  
4 event may the due date of the unpaid balance of the assessment extend beyond the  
5 lifetime of the owner.

6 (b) As a prerequisite to exercising the authority granted by this subsection, the  
7 City Council shall define what constitutes a special financial hardship, and may amend  
8 this definition from time to time.

9 (c) The authority granted by this subsection shall be exercised only upon written  
10 application of the owner of property subject to the assessment. The application must be  
11 filed with the City Clerk no later than 15 days after confirmation of the assessment roll.  
12 The application shall be on a form approved by the City Council. The application shall  
13 contain such information and documentation pertaining to special financial hardship, and  
14 such other information, as the City Council may require.

15 (d) The City Council may delegate authority to the City Manager or designee of  
16 the City Manager to approve or deny any application submitted pursuant to this section.  
17 If any such application shall be approved by the City, the City Clerk shall mark upon the  
18 confirmed assessment roll such words as shall indicate such approval by the City, the  
19 special payment provisions and the date and time of the approval."

20 Sec. 2. This act is effective upon ratification.