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SESSION 2005

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HOUSE BILL 607*
Committee Substitute Favorable 5/31/05
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Short Title: Enhanced Voluntary Agricultural Districts. (Public)

Sponsors:

Referred to:

March 14, 2005

A BILL TO BE ENTITLED

1
2 AN ACT TO AMEND THE FARMLAND PRESERVATION ENABLING ACT TO
3 ESTABLISH A CATEGORY OF ENHANCED VOLUNTARY AGRICULTURAL
4 DISTRICTS THAT OFFERS ADDITIONAL PROTECTION OF FARMLAND
5 FROM NONFARM DEVELOPMENT AND ADDITIONAL BENEFITS FOR
6 FARMLAND WHEN THE OWNER OF THE FARMLAND IS WILLING TO
7 ENTER INTO AN IRREVOCABLE CONSERVATION AGREEMENT FOR TEN
8 YEARS OR LONGER.

9 Whereas, North Carolina's 53,000 farms provide food, fiber, economic
10 activity, wildlife habitat, natural resource protection, open spaces, cultural heritage, and
11 fiscal savings to the citizens of the State; and

12 Whereas, a productive and stable agricultural sector is important to farm
13 families, rural communities, local economies, and the State of North Carolina; and

14 Whereas, the Voluntary Agricultural Districts program is a popular, low-cost,
15 locally driven option that links farmers, elected officials, county staff, and the general
16 public in understanding and supporting the needs of agriculture; and

17 Whereas, landowners are looking for a wider range of options to help them
18 protect their farming operations from the potential impacts of nonfarm development and
19 pass them along to future generations; and

20 Whereas, to expand the Farmland Preservation Enabling Act and to authorize
21 counties and cities to establish a new category of agricultural district, an enhanced
22 agricultural district, will provide counties and cities with a wider range of options to
23 protect farmland from nonfarm development within their jurisdictions; Now, therefore,
24 The General Assembly of North Carolina enacts:

25 **SECTION 1.** G.S. 106-735 and G.S. 106-736 are recodified as Part 1 of
26 Article 61 of Chapter 106 of the General Statutes, to be entitled "General Provisions."

1 **SECTION 2.** G.S. 106-737 through G.S. 106-743 are recodified as Part 2 of
2 Article 61 of Chapter 106 of the General Statutes, to be entitled "Voluntary Agricultural
3 Districts."

4 **SECTION 3.** G.S. 106-744 is recodified as Part 4 of Article 61 of Chapter
5 106 of the General Statutes, to be entitled "Agricultural Conservation Easements."

6 **SECTION 4.** Article 61 of Chapter 106 of the General Statutes is amended
7 by adding a new Part to read:

8 "Part 3. Enhanced Voluntary Agricultural Districts.

9 "§ 106-743.1. Enhanced voluntary agricultural districts.

10 (a) A county or a municipality may adopt an ordinance that provides all of the
11 following:

12 (1) The ordinance provides for the establishment of enhanced voluntary
13 agricultural districts that initially consist of at least the number of
14 contiguous acres of farmland that is qualifying farmland under
15 G.S. 106-737 or the number of qualifying farms deemed appropriate
16 by the board of county commissioners.

17 (2) The ordinance provides for the formation of these enhanced voluntary
18 agricultural districts upon the execution of a conservation agreement
19 by the landowners of the requisite acreage to sustain agriculture in the
20 enhanced voluntary agricultural district.

21 (3) The ordinance provides that the form of the agreement under
22 subdivision (2) of this subsection must be reviewed and approved by
23 an agricultural advisory board established under G.S. 106-739 or some
24 other governing board of the county or city that adopted the ordinance,
25 and provides that the agreement must comply with G.S. 106-743.2.

26 (4) The ordinance provides that each enhanced voluntary agricultural
27 district must have a representative on the agricultural advisory board
28 established under G.S. 106-739.

29 (b) The purpose of establishing an enhanced voluntary agricultural district is to
30 provide a county or a city with the option of offering more protection for farmland from
31 nonfarm development and additional benefits for farmland than are available under a
32 voluntary agricultural district established under Part 2 of this Article when the owner of
33 the farmland is willing to agree to the additional limitation imposed under
34 G.S. 106-743.2. The county or city that adopted the ordinance may take any action it
35 deems appropriate to encourage the formation of these districts and to further their
36 purposes and objectives.

37 "§ 106-743.2. Conservation agreements for farmland in enhanced voluntary
38 agricultural districts; limitation.

39 When a landowner enters into a conservation agreement, as defined in G.S. 121-35
40 and as provided for under G.S. 106-743.1(a)(2), with the county or the city that adopted
41 the ordinance to establish an enhanced voluntary agricultural district, the farmland that
42 is subject to the conservation agreement receives benefits under this Part for the
43 duration of the conservation agreement only if the agreement is irrevocable for at least
44 10 years from the date the agreement is executed.

1 **§ 106-743.3. Enhanced voluntary agricultural districts entitled to all benefits of**
2 **voluntary agricultural districts.**

3 All of the provisions of G.S. 106-739 through G.S. 106-741 and G.S. 106-743 apply
4 to an enhanced voluntary agricultural district under this Part, to an ordinance adopted
5 under this Part, and to any person, entity, or farmland subject to this Part in the same
6 manner as they apply under Part 2 of this Article.

7 **§ 106-743.4. Enhanced voluntary agricultural districts; additional benefits.**

8 (a) Subject to G.S. 153A-340(b)(3) for swine farms, property that is subject to a
9 conservation agreement under G.S. 106-743.2 that remains in effect may receive up to
10 twenty-five percent of its gross sales from the sale of nonfarm products and still qualify
11 as a bona fide farm that is exempt from zoning regulations under G.S. 153A-340(b). For
12 purposes of G.S. 153A-340(b), the production of any nonfarm product that the
13 Department of Agriculture and Consumer Services recognizes as a "Goodness Grows in
14 North Carolina" product that is produced on a farm that is subject to a conservation
15 agreement under G.S. 106-743.2 is a bona fide farm purpose.

16 (b) No city may extend its extraterritorial powers under Article 19 of Chapter
17 160A of the General Statutes into an enhanced voluntary agricultural district established
18 under this Part.

19 (c) In order to reduce the impact of nonfarm development on adjacent farms, a
20 county that has established an enhanced voluntary agricultural district under this Part
21 may modify its subdivision ordinance under G.S. 153A-331 to provide that new
22 adjoining nonfarm development is required to erect and maintain adequate buffers. A
23 city that has established an enhanced voluntary agricultural district under this Part may
24 modify its subdivision ordinance under G.S. 160A-372 to provide that new adjoining
25 nonfarm development is required to erect and maintain adequate buffers. As used in this
26 subsection, 'buffer' includes fences, wells, vegetation, and any other buffer approved by
27 the governing board of the county or city in its ordinance adopted under this Part.

28 (d) A county that has established an enhanced voluntary agricultural district
29 under this Part shall, in any comprehensive land use plan hereinafter adopted or
30 amended by the county by ordinance under Article 18 of Chapter 153A of the General
31 Statutes, address and provide for the needs of agricultural, horticultural, and forestry
32 operations located in that county and shall provide that any other county ordinances
33 thereafter adopted and decisions of local planning boards thereafter made are consistent
34 with these needs. A city that has established an enhanced voluntary agricultural district
35 under this Part shall, in any comprehensive land use plan hereinafter adopted by the city
36 by ordinance under Article 19 of Chapter 160A of the General Statutes, address and
37 provide for the needs of agricultural, horticultural, and forestry operations located in
38 that city and shall provide that any other city ordinances thereafter adopted and
39 decisions of local planning boards thereafter made are consistent with these needs.

40 (e) A county or a city that has established an enhanced voluntary agricultural
41 district under this Part may, pursuant to G.S. 106-743.5, waive utility assessments for
42 farms until improvements on the property are connected to the utility.

43 (f) When farmland is subject to a conservation agreement under G.S. 106-743.2
44 that remains in effect, the person who farms that farmland is eligible under

1 G.S. 143-215.74(b) to receive a higher percentage of cost share funds under the
2 Agriculture Cost Share Program under Part 9 of Article 21 of Chapter 143 of the
3 General Statutes for funds to benefit that farmland.

4 (g) Any State department, institution, or agency that awards grants to farmers is
5 encouraged to give priority consideration to any farmer who farms farmland that is
6 subject to a conservation agreement under G.S. 106-743.2 that remains in effect.

7 **"§ 106-743.5. Waiver of utility assessments.**

8 (a) In the ordinance establishing an enhanced voluntary agricultural district under
9 this Part, a county or a city may provide that all assessments for utilities provided by
10 either public or private entities operating the utility are held in abeyance, with or
11 without interest, for farmland subject to a conservation agreement under G.S. 106-743.2
12 that remains in effect until improvements on the farmland property are connected to the
13 utility for which the assessment was made.

14 (b) The ordinance may provide that, when the period of abeyance ends, the
15 assessment is payable in accordance with the terms set out in the assessment resolution.

16 (c) Statutes of limitations are suspended during the time that any assessment is
17 held in abeyance under this section without interest.

18 (d) If an ordinance is adopted by a county or a city under this section, then the
19 assessment procedures followed under Article 9 of Chapter 153A or Article 10 of
20 Chapter 160A of the General Statutes, respectively, shall conform to the terms of this
21 ordinance with respect to qualifying farms that entered into conservation agreements
22 while such ordinance was in effect.

23 (e) Nothing in this section is intended to diminish the authority of counties or
24 cities to hold assessments in abeyance under G.S. 153A-201 and G.S. 160A-237."

25 **SECTION 5.** G.S. 153A-340(b)(2) reads as rewritten:

26 "(2) ~~Bona~~ Except as provided in G.S. 106-743.4 for farms that are subject to a
27 conservation agreement under G.S. 106-743.2 that remains in effect, bona fide farm
28 purposes include the production and activities relating or incidental to the production of
29 crops, fruits, vegetables, ornamental and flowering plants, dairy, livestock, poultry, and
30 all other forms of agricultural products having a domestic or foreign market. For
31 purposes of this subdivision, the production of any nonfarm product that the Department
32 of Agriculture and Consumer Services recognizes as a "Goodness Grows in North
33 Carolina" product that is produced on a farm subject to a conservation agreement under
34 G.S. 106-743.2 is a bona fide farm purpose."

35 **SECTION 6.** G.S. 160A-360 is amended by adding a new subsection to
36 read:

37 "(e1) No city may hereafter extend its extraterritorial powers under this Article into
38 any area for which the county at that time has adopted and is enforcing an ordinance
39 that establishes an enhanced voluntary agricultural district established under Part 3 of
40 Article 61 of Chapter 106 of the General Statutes."

41 **SECTION 7.** G.S. 153A-331 reads as rewritten:

42 **"§ 153A-331. Contents and requirements of ordinance.**

43 A subdivision control ordinance may provide for the orderly growth and
44 development of the county; for the coordination of streets and highways within

1 proposed subdivisions with existing or planned streets and highways and with other
2 public facilities; for the dedication or reservation of recreation areas serving residents of
3 the immediate neighborhood within the subdivision and of rights-of-way or easements
4 for street and utility purposes including the dedication of rights-of-way pursuant to
5 G.S. 136-66.10 or G.S. 136-66.11; and for the distribution of population and traffic in a
6 manner that will avoid congestion and overcrowding and will create conditions essential
7 to public health, safety, and the general welfare. The ordinance may include
8 requirements that the final plat show sufficient data to determine readily and reproduce
9 accurately on the ground the location, bearing, and length of every street and alley line,
10 lot line, easement boundary line, and other property boundaries, including the radius
11 and other data for curved property lines, to an appropriate accuracy and in conformity
12 with good surveying practice. A subdivision control ordinance may provide that a
13 developer may provide funds to the county whereby the county may acquire recreational
14 land or areas to serve the development or subdivision, including the purchase of land
15 which may be used to serve more than one subdivision or development within the
16 immediate area.

17 The ordinance may provide that in lieu of required street construction, a developer
18 may provide funds to be used for the development of roads to serve the occupants,
19 residents, or invitees of the subdivision or development. All funds received by the
20 county under this section shall be transferred to the municipality to be used solely for
21 the development of roads, including design, land acquisition, and construction. Any
22 municipality receiving funds from a county under this section is authorized to expend
23 such funds outside its corporate limits for the purposes specified in the agreement
24 between the municipality and the county. Any formula adopted to determine the amount
25 of funds the developer is to pay in lieu of required street construction shall be based on
26 the trips generated from the subdivision or development. The ordinance may require a
27 combination of partial payment of funds and partial dedication of constructed streets
28 when the governing body of the county determines that a combination is in the best
29 interest of the citizens of the area to be served.

30 The ordinance may provide for the more orderly development of subdivisions by
31 requiring the construction of community service facilities in accordance with county
32 policies and standards, and, to assure compliance with these requirements, the ordinance
33 may provide for the posting of bond or any other method that will offer guarantee of
34 compliance.

35 The ordinance may provide for the reservation of school sites in accordance with
36 comprehensive land use plans approved by the board of commissioners or the planning
37 agency. For the authorization to reserve school sites to be effective, the board of
38 commissioners or planning agency, before approving a comprehensive land use plan,
39 shall determine jointly with the board of education with jurisdiction over the area the
40 specific location and size of each school site to be reserved, and this information shall
41 appear in the plan. Whenever a subdivision that includes part or all of a school site to be
42 reserved under the plan is submitted for approval, the board of commissioners or the
43 planning agency shall immediately notify the board of education. That board shall
44 promptly decide whether it still wishes the site to be reserved and shall notify the board

1 of commissioners or planning agency of its decision. If the board of education does not
2 wish the site to be reserved, no site may be reserved. If the board of education does wish
3 the site to be reserved, the subdivision may not be approved without the reservation.
4 The board of education must acquire the site within 18 months after the date the site is
5 reserved, either by purchase or by exercise of the power of eminent domain. If the board
6 of education has not purchased the site or begun proceedings to condemn the site within
7 the 18 months, the subdivider may treat the land as freed of the reservation.

8 For a county that has adopted an ordinance establishing an enhanced voluntary
9 agricultural district under Part 3 of Article 61 of Chapter 106 of the General Statutes,
10 the subdivision ordinance under this section may provide that new adjoining nonfarm
11 development is required to erect and maintain adequate buffers under G.S. 106-743.4(d)
12 in order to reduce the impact of the nonfarm development on adjacent farms.

13 The ordinance may require that a plat be prepared, approved, and recorded pursuant
14 to its provisions whenever a subdivision of land takes place."

15 **SECTION 8.** G.S. 160A-372 reads as rewritten:

16 "**§ 160A-372. Contents and requirements of ordinance.**

17 A subdivision control ordinance may provide for the orderly growth and
18 development of the city; for the coordination of streets and highways within proposed
19 subdivisions with existing or planned streets and highways and with other public
20 facilities; for the dedication or reservation of recreation areas serving residents of the
21 immediate neighborhood within the subdivision or, alternatively, for provision of funds
22 to be used to acquire recreation areas serving residents of the development or
23 subdivision or more than one subdivision or development within the immediate area,
24 and rights-of-way or easements for street and utility purposes including the dedication
25 of rights-of-way pursuant to G.S. 136-66.10 or G.S. 136-66.11; and for the distribution
26 of population and traffic in a manner that will avoid congestion and overcrowding and
27 will create conditions essential to public health, safety, and the general welfare. The
28 ordinance may include requirements that the final plat show sufficient data to determine
29 readily and reproduce accurately on the ground the location, bearing, and length of
30 every street and alley line, lot line, easement boundary line, and other property
31 boundaries, including the radius and other data for curved property lines, to an
32 appropriate accuracy and in conformance with good surveying practice.

33 The ordinance may provide for the more orderly development of subdivisions by
34 requiring the construction of community service facilities in accordance with municipal
35 policies and standards and, to assure compliance with these requirements, the ordinance
36 may provide for the posting of bond or any other method that will offer guarantee of
37 compliance.

38 The ordinance may provide for the reservation of school sites in accordance with
39 comprehensive land use plans approved by the council or the planning agency. In order
40 for this authorization to become effective, before approving such plans the council or
41 planning agency and the board of education with jurisdiction over the area shall jointly
42 determine the specific location and size of any school sites to be reserved, which
43 information shall appear in the comprehensive land use plan. Whenever a subdivision is
44 submitted for approval which includes part or all of a school site to be reserved under

1 the plan, the council or planning agency shall immediately notify the board of education
2 and the board shall promptly decide whether it still wishes the site to be reserved. If the
3 board of education does not wish to reserve the site, it shall so notify the council or
4 planning agency and no site shall be reserved. If the board does wish to reserve the site,
5 the subdivision shall not be approved without such reservation. The board of education
6 shall then have 18 months beginning on the date of final approval of the subdivision
7 within which to acquire the site by purchase or by initiating condemnation proceedings.
8 If the board of education has not purchased or begun proceedings to condemn the site
9 within 18 months, the subdivider may treat the land as freed of the reservation.

10 The ordinance may require that a plat be prepared, approved, and recorded pursuant
11 to its provisions whenever any subdivision of land takes place.

12 The ordinance may provide that a developer may provide funds to the city whereby
13 the city may acquire recreational land or areas to serve the development or subdivision,
14 including the purchase of land which may be used to serve more than one subdivision or
15 development within the immediate area. All funds received by the city pursuant to this
16 paragraph shall be used only for the acquisition or development of recreation, park, or
17 open space sites. Any formula enacted to determine the amount of funds that are to be
18 provided under this paragraph shall be based on the value of the development or
19 subdivision for property tax purposes. The ordinance may allow a combination or
20 partial payment of funds and partial dedication of land when the governing body of the
21 city determines that this combination is in the best interests of the citizens of the area to
22 be served.

23 The ordinance may provide that in lieu of required street construction, a developer
24 may be required to provide funds that the city may use for the construction of roads to
25 serve the occupants, residents, or invitees of the subdivision or development and these
26 funds may be used for roads which serve more than one subdivision or development
27 within the area. All funds received by the city pursuant to this paragraph shall be used
28 only for development of roads, including design, land acquisition, and construction.
29 However, a city may undertake these activities in conjunction with the Department of
30 Transportation under an agreement between the city and the Department of
31 Transportation. Any formula adopted to determine the amount of funds the developer is
32 to pay in lieu of required street construction shall be based on the trips generated from
33 the subdivision or development. The ordinance may require a combination of partial
34 payment of funds and partial dedication of constructed streets when the governing body
35 of the city determines that a combination is in the best interests of the citizens of the
36 area to be served.

37 For a city that has adopted an ordinance establishing an enhanced voluntary
38 agricultural district under Part 3 of Article 61 of Chapter 106 of the General Statutes,
39 the subdivision ordinance under this section may provide that new adjoining nonfarm
40 development is required to erect and maintain adequate buffers under G.S. 106-743.4(d)
41 in order to reduce the impact of the nonfarm development on adjacent farms."

42 **SECTION 9.** G.S. 143-215.74(b)(9) reads as rewritten:

43 (9) When the applicant is either a limited-resource ~~farmer or farmer~~, a
44 beginning farmer, or, when the farmland is located in an enhanced

1 voluntary agricultural district and is subject to a conservation
2 agreement under G.S. 106-743.2 that remains in effect, the person who
3 farms that farmland, State funding shall be limited to ninety percent
4 (90%) of the average cost for each practice with the assisted farmer
5 providing ten percent (10%) of the cost, which may include in-kind
6 support of the practice, with a maximum of one hundred thousand
7 dollars (\$100,000) per year to each applicant. The following
8 definitions apply in this subdivision:

9 a. Beginning farmer. – A farmer who has not operated a farm or
10 who has operated a farm for not more than 10 years and who
11 will materially and substantially participate in the operation of
12 the farm.

13 a1. Enhanced voluntary agricultural district. – A district established
14 by a county or a city by ordinance under Part 3 of Article 61 of
15 Chapter 106 of the General Statutes.

16 b. Limited-resource farmer. – A farmer with direct and indirect
17 annual gross farm sales that do not exceed one hundred
18 thousand dollars (\$100,000) and with an adjusted household
19 income in each of the previous two years that is at or below the
20 greater of the county median household income, as determined
21 by the United States Department of Housing and Urban
22 Development, or two times the national poverty level based on
23 the federal poverty guidelines established by the United States
24 Department of Health and Human Services and revised each
25 April 1.

26 c. Materially and substantially participate.

27 1. In the case of an individual, for the individual, including
28 members of the immediate family of the individual, to
29 provide substantial day-to-day labor and management of
30 the farm, consistent with the practices in the county in
31 which the farm is located.

32 2. In the case of an entity, for all members of the entity, to
33 participate in the operation of the farm, with some
34 members providing management and some members
35 providing labor and management necessary for
36 day-to-day activities such that if the members did not
37 provide the management and labor, the operation of the
38 farm would be seriously impaired."

39 **SECTION 10.** G.S. 106-736, as recodified by Section 1 of this act, reads as
40 rewritten:

41 "**§ 106-736. Farmland preservation programs authorized.**

42 A county or a city may by ordinance establish a farmland preservation program
43 under this Article. The ordinance may authorize qualifying farms, as defined in

1 G.S. 106-737, to take advantage of one or more of the benefits authorized by the
2 remaining sections of this Article."

3 **SECTION 11.** G.S.106-737, as recodified by Section 2 of this act, reads as
4 rewritten:

5 **"§ 106-737. Qualifying farmland.**

6 In order for farmland to qualify under Part 1 or Part 2 of this Article, it must be real
7 property that:

- 8 (1) Is participating in the farm present-use-value taxation program
9 established by G.S. 105-277.2 through 105-277.7 or is otherwise
10 determined by the county to meet all the qualifications of this program
11 set forth in G.S. 105-277.3;
- 12 (2) Is certified by the Soil Conservation Service of the United States
13 Department of Agriculture as being a farm on which at least two-thirds
14 of the land is composed of soils that (i) are best suited for providing
15 food, seed, fiber, forage, timber, and oil seed crops, (ii) have good soil
16 qualities, (iii) are favorable for all major crops common to the county
17 where the land is located, (iv) have a favorable growing season, and
18 (v) receive the available moisture needed to produce high yields an
19 average of eight out of 10 years; or on which at least two-thirds of the
20 land has been actively used in agricultural, horticultural or forestry
21 operations as defined in G.S. 105-277.2(1), (2), and (3) during each of
22 the five previous years, measured from the date on which the
23 determination must be made as to whether the land in question
24 qualifies;
- 25 (3) Is managed in accordance with the Soil Conservation Service defined
26 erosion control practices that are addressed to highly erodable land;
27 and
- 28 (4) Is the subject of a conservation agreement, as defined in G.S. 121-35,
29 between the county and the owner of such land that prohibits nonfarm
30 use or development of such land for a period of at least 10 years,
31 except for the creation of not more than three lots that meet applicable
32 county zoning and subdivision regulations."

33 **SECTION 12.** G.S. 106-738, as recodified by Section 2 of this act, reads as
34 rewritten:

35 **"§ 106-738. Voluntary agricultural districts.**

36 (a) An ordinance adopted under this ~~Article~~Part shall provide:

- 37 (1) For the establishment of voluntary agricultural districts consisting
38 initially of at least the number of contiguous acres of qualifying
39 farmland or the number of qualifying farms deemed appropriate by the
40 ~~board of county commissioners;~~governing board of the county or city
41 adopting the ordinance.
- 42 (2) For the formation of such districts upon the execution by the owners of
43 the requisite acreage of an agreement to sustain agriculture in the
44 district;

1 (3) That the form of this agreement must be reviewed and approved by an
2 agricultural advisory board established under G.S. 106-739 or some
3 other county board or official;

4 (4) That each such district have a representative on the agricultural
5 advisory board established under G.S. 106-739.

6 (b) The purpose of such agricultural districts shall be to increase identity and
7 pride in the agricultural community and its way of life and to increase protection from
8 nuisance suits and other negative impacts on properly managed farms. The county or
9 city that adopted an ordinance under this Part may take such action as it deems
10 appropriate to encourage the formation of such districts and to further their purposes
11 and objectives."

12 **SECTION 13.** G.S. 106-739, as recodified by Section 2 of this act, reads as
13 rewritten:

14 **"§ 106-739. Agricultural advisory board.**

15 An ordinance adopted under this Part or Part 3 of this Article shall provide for the
16 establishment of an agricultural advisory board, organized and appointed as the county
17 or city that adopted the ordinance shall deem appropriate. The county or city that
18 adopted the ordinance may confer upon this advisory board authority to:

19 (1) Review and make recommendations concerning the establishment and
20 modification of agricultural districts;

21 (2) Review and make recommendations concerning any ordinance or
22 amendment adopted or proposed for adoption under this Part or Part 3
23 of this Article;

24 (3) Hold public hearings on public projects likely to have an impact on
25 agricultural operations, particularly if such projects involve
26 condemnation of all or part of any qualifying farm;

27 (4) Advise the governing board of the county ~~commissioners~~ or city that
28 adopted the ordinance on projects, programs, or issues affecting the
29 agricultural economy or way of life within the county;

30 (5) Perform other related tasks or duties assigned by the governing board
31 of the county ~~commissioners~~ or city that adopted the ordinance."

32 **SECTION 14.** G.S. 106-740, as recodified by Section 2 of this act, reads as
33 rewritten:

34 **"§ 106-740. Public hearings on condemnation of farmland.**

35 An ordinance adopted under this Part or Part 3 of this Article may provide that no
36 State or local public agency or governmental unit may formally initiate any action to
37 condemn any interest in qualifying farmland within a voluntary agricultural district
38 under this Part or an enhanced voluntary agricultural district under Part 3 of this Article
39 until such agency has requested the local agricultural advisory board established under
40 G.S. 106-739 to hold a public hearing on the proposed condemnation.

41 (1) Following a public hearing held pursuant to this section, the board
42 shall prepare and submit written findings and a recommendation to the
43 decision-making body of the agency proposing acquisition.

1 (2) The board designated to hold the hearing shall have 30 days after
2 receiving a request under this section to hold the public hearing and
3 submit its findings and recommendations to the agency.

4 (3) The agency may not formally initiate a condemnation action while the
5 proposed condemnation is properly before the advisory board within
6 these time limitations."

7 **SECTION 15.** G.S. 106-742, as recodified by Section 2 of this act, reads as
8 rewritten:

9 **§ 106-742. Waiver of water and sewer assessments.**

10 (a) A county or a city that has adopted an ordinance under this Part may provide
11 by ordinance that its water and sewer assessments be held in abeyance, with or without
12 interest, for farms, whether inside or outside of a voluntary agricultural district, until
13 improvements on such property are connected to the water or sewer system for which
14 the assessment was made.

15 (b) The ordinance may provide that, when the period of abeyance ends, the
16 assessment is payable in accordance with the terms set out in the assessment resolution.

17 (c) Statutes of limitations are suspended during the time that any assessment is
18 held in abeyance without interest.

19 (d) If an ordinance is adopted under this section, then the assessment procedures
20 followed under Article 9 of Chapter 153A of the General Statutes or Article 10 of
21 Chapter 160A of the General Statutes, whichever applies, shall conform to the terms of
22 this ordinance with respect to qualifying farms that entered into conservation
23 agreements while such ordinance was in effect.

24 (e) Nothing in this section is intended to diminish the authority of counties or
25 cities to hold assessments in abeyance under ~~G.S. 153A-201~~G.S. 153A-201 or
26 G.S. 160A-237."

27 **SECTION 16.** G.S. 106-743, as recodified by Section 2 of this act, reads as
28 rewritten:

29 "**§ 106-743. ~~County~~ Local ordinances.**

30 A county or a city adopting an ordinance under this Part or Part 3 of this Article may
31 consult with the North Carolina Commissioner of Agriculture or his staff before
32 adoption, and shall record the ordinance with the Commissioner's office after adoption.
33 Thereafter, the county or city shall submit to the Commissioner at least once a year, a
34 written report including the status, progress and activities of ~~the county's~~sits farmland
35 preservation program under this Part or Part 3 of this Article."

36 **SECTION 17.** This act becomes is effective when it becomes law.