

GENERAL ASSEMBLY OF NORTH CAROLINA
1993 SESSION

CHAPTER 544
SENATE BILL 853

AN ACT TO AUTHORIZE CERTAIN COUNTIES THAT WILL DERIVE ECONOMIC BENEFITS FROM THE NORTH CAROLINA GLOBAL TRANSPARK TO FORM A GLOBAL TRANSPARK DEVELOPMENT ZONE TO PROMOTE ECONOMIC DEVELOPMENT OF, AND TO ENCOURAGE INFRASTRUCTURE CONSTRUCTION IN, THE COUNTIES OF THE ZONE.

Whereas, the State of North Carolina, acting through the North Carolina Air Cargo Airport Authority, now known as the North Carolina Global TransPark Authority, has designated the Kinston Regional Jetport as the location of the cargo airport and the air transportation complex to be developed; and

Whereas, the Global TransPark Complex, an approximately four to six thousand acre site surrounding the existing jetport, will contain a modern airport large enough to handle the largest aircraft and will be dedicated to the rapid movement of freight and passengers by air with intermodal connecting links with rail, highway, and water transportation facilities; and

Whereas, the Global TransPark Complex will be surrounded by a large area, to be known as the North Carolina Global TransPark, which will include commercial and industrial sites providing attractive locations for businesses and industries of differing sizes and varying kinds; and

Whereas, the General Assembly anticipates that the North Carolina Global TransPark will stimulate economic growth and the creation of job opportunities in a wide area in Eastern North Carolina; and

Whereas, to promote the economic development of, and construction of infrastructure projects within, the North Carolina Global TransPark and the counties of North Carolina that will derive economic benefits from the Global TransPark, the General Assembly desires to authorize certain counties to form an economic development district, to be known as the Global TransPark Development Zone, and a body to govern the district, to be known as the Global TransPark Development Commission; and

Whereas, the General Assembly desires to authorize the Global TransPark Development Zone to levy a temporary five dollar (\$5.00) motor vehicle registration tax on vehicles with a tax situs within the Zone for a period of no more than five years, to generate funds to be used by the Global TransPark Development Commission for economic development projects to retain or attract, and infrastructure construction projects to support businesses and industries that are located, or may be located, in the Zone; and

Whereas, the counties that form the Zone can most effectively meet their own needs in carrying out development and infrastructure projects related to the development of the North Carolina Global TransPark by cooperative efforts, coordinated planning, and concerted actions through the Global TransPark Development Zone; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Chapter 158 of the General Statutes is amended by adding a new Article to read:

"ARTICLE 4.
"Global TransPark Development Zone.

"§ 158-30. Title.

This Article shall be known as the 'Global TransPark Development Zone Act'.

"§ 158-31. Purpose.

The purpose of this Article is to allow the following counties, which have the potential to derive direct economic benefits from the North Carolina Global TransPark, to create a special economic development district, to be known as the Global TransPark Development Zone: Carteret, Craven, Duplin, Edgecombe, Greene, Jones, Lenoir, Nash, New Hanover, Onslow, Pamlico, Pitt, Wayne, and Wilson.

The purpose of the Global TransPark Development Zone is to promote the development of the North Carolina Global TransPark and to promote and encourage economic development within the territorial jurisdiction of the Zone by fostering or sponsoring development projects to provide land, buildings, facilities, programs, information and data systems, and infrastructure requirements for business and industry in the North Carolina Global TransPark outside of the Global TransPark Complex, and elsewhere in the Zone.

"§ 158-32. Definitions.

The following definitions apply in this Article:

- (1) Authority. – The North Carolina Air Cargo Airport Authority created under Chapter 63A of the General Statutes, doing business as the North Carolina Global TransPark Authority.
- (2) Commission. – The Global TransPark Development Commission, the governing body of the Global TransPark Development Zone.
- (3) Global TransPark Complex. – The approximately four to six thousand acre site designated by the Authority for a cargo airport and related facilities in Lenoir County. The site will contain a modern airport large enough to handle the largest aircraft and will be dedicated to the rapid movement of freight and passengers by air with intermodal connecting links with rail, highway, and water transportation facilities.
- (4) North Carolina Global TransPark. – A large area surrounding and including the Global TransPark Complex, which will contain commercial and industrial sites providing attractive locations for business and industry of differing sizes and varying kinds.

- (5) Unit of local government. – A local subdivision or unit of government or a local public corporate entity, including any type of special district or public authority.
- (6) Zone. – The Global TransPark Development Zone, an economic development district created pursuant to this Article.

"§ 158-33. Creation of Global TransPark Development Zone.

(a) Resolution to Create Zone. – Any three or more of the counties listed in G.S. 158-31 may create the Global TransPark Development Zone as provided in this section. In order to create the Zone, the governing bodies of the counties creating the Zone must first adopt, on or before October 1, 1993, substantially similar resolutions stating their intent to organize the Zone pursuant to this Article. Each resolution shall include articles of incorporation for the Zone which shall set forth the following:

- (1) The name of the Zone, which shall be the 'Global TransPark Development Zone'.
- (2) A statement that the Zone is organized under this Article.
- (3) The names of the organizing counties known to the county adopting the resolution.

(b) Public Hearing. – Each resolution may be adopted only after a public hearing on the question, notice of which hearing has been given by publication at least once after July 25, 1993, and not less than 10 days before the date set for the hearing, in a newspaper having a general circulation in the county. The notice shall contain a brief statement of the substance of the proposed resolution, set forth the proposed articles of incorporation of the Zone, and state the time and place of the public hearing to be held on the resolution. No other publication or notice of the resolution is required.

(c) Incorporation of Zone. – Each county that adopts a resolution as provided in this section shall file a certified copy of the resolution with the Secretary of State on or before October 15, 1993, together with proof of publication of notice of the hearing on the resolution. Each resolution must contain the county clerk's attestation that it was adopted by the board of commissioners. If the Secretary of State finds that the resolutions, including the articles of incorporation, conform to the provisions of this Article and that notices of the hearings were properly published, the Secretary of State shall file the resolutions and proofs of publication and shall issue a certificate of incorporation for the Zone under the seal of the State. The Secretary of State shall record the certificate of incorporation in an appropriate book of record in the Secretary of State's office.

(d) Effect of Incorporation. – The issuance of the certificate of incorporation by the Secretary of State shall constitute the Global TransPark Development Zone a public body and body politic and corporate of the State. The certificate of incorporation shall be conclusive evidence that the Zone has been duly created and established under this Article.

"§ 158-34. Territorial jurisdiction of Zone.

The territorial jurisdiction of the Zone created pursuant to this Article shall be coterminous with the boundaries of the counties participating in the Zone.

"§ 158-35. Commission membership, officers, compensation.

(a) Commission Membership. – The governing body of the Zone is the Global TransPark Development Commission. The members of the Commission must be residents of the Zone and shall be appointed as follows:

- (1) The board of commissioners of each county participating in the Zone shall appoint three voting members, one of whom shall be a minority person as defined in G.S. 143-128(c) and one of whom may be a member of the board of commissioners.
- (2) The Authority shall appoint at least three but no more than seven voting members. By the appointment of these members, the Authority shall ensure that the voting membership of the Commission includes at least seven women and seven members of a racial minority described in G.S. 143-128(c). The Authority shall appoint the fewest number of members necessary to achieve these minimums.
- (3) Four nonvoting members shall be appointed as follows:
 - a. One appointed by the Chancellor of East Carolina University to represent the University.
 - b. One appointed by a majority vote of the presidents of the community colleges located in the Zone, to represent the community colleges.
 - c. One appointed by the chair of the State Ports Authority, to represent the sea ports of the State.
 - d. One member of the board of directors of the Global TransPark Foundation, Inc., appointed by that board.

(b) Terms. – Members of the Commission shall serve for staggered four-year terms. The members appointed by the Chancellor of East Carolina University and by the chair of the State Ports Authority shall serve an initial term of two years. The members appointed by the community colleges located in the Zone and by the board of directors of the Global TransPark Foundation, Inc., shall serve an initial term of four years. The Authority shall designate at least one-half of its appointees to serve an initial term of two years; its remaining appointees shall serve an initial term of four years. Each board of commissioners shall designate one of its appointees to serve an initial term of four years, one to serve an initial term of two years, and one to serve an initial term to be determined at the first meeting of the Commission. One-half of the appointees designated to serve an undetermined initial term shall serve an initial term of two years, as determined by lot at the first meeting of the Commission. The remainder of the appointees designated to serve an undetermined initial term shall serve an initial term of four years. Initial terms begin upon approval by the Secretary of State of the articles of incorporation.

(c) Removal; Vacancies. – A member of the Commission may be removed with or without cause by the appointing body. Appointments to fill vacancies shall be made for the remainder of the unexpired term by the respective appointing authority. All members shall serve until their successors are appointed and qualified, unless removed from office.

(d) Dual Office Holding. – Service on the Commission may be in addition to any other office a person is entitled to hold.

(e) Officers. – The Commission shall annually elect from its membership a chairperson and a vice-chairperson, and shall annually elect a secretary and a treasurer. After the Commission has been duly organized and its officers elected as provided in this section, the secretary of the Commission shall certify to the Secretary of State the names and addresses of the officers as well as the address of the principal office of the Commission.

(f) Compensation. – The members of the Commission shall receive no compensation other than travel, subsistence, and reasonable per diem expenses determined by the Commission for attendance at Commission meetings and other official Zone functions.

"§ 158-36. Voting.

A majority of the Commission members shall constitute a quorum for the transaction of business. Each voting member of the Commission shall have one vote. The Commission may transact business only by majority vote of the voting members present and voting.

"§ 158-37. Powers of the Zone.

(a) The general powers of the Zone include the following:

- (1) The powers of a corporate body, including the power to sue and be sued and to adopt and use a common seal.
- (2) To adopt bylaws and resolutions in accordance with this Article for its organization and internal management.
- (3) To employ persons as necessary and to fix their compensation within the limit of available funds.
- (4) With the approval of the unit of local government's chief administrative official, to use officers, employees, agents, and facilities of a unit of local government for purposes and upon terms agreed upon with the unit of local government.
- (5) To make contracts, deeds, leases with or without option to purchase, conveyances, and other instruments, including contracts with the United States, the State of North Carolina, and units of local government.
- (6) To acquire, lease as lessee with or without option to purchase, hold, own, and use any franchise or property or any interest in a franchise or property, within the limit of available funds.
- (7) To transfer, lease as lessor with or without option to purchase, exchange, or otherwise dispose of any franchise or property or any interest in a franchise or property, within the limit of available funds.
- (8) To surrender to the State of North Carolina any property no longer required by the Zone.

(b) The economic development powers of the Zone include the following, to the extent appropriate to carry out its purposes as provided in this Article:

- (1) To levy a temporary annual motor vehicle registration tax on vehicles with a tax situs within the Zone, as provided in G.S. 158-42.
- (2) To acquire, construct, improve, maintain, repair, operate, or administer any component part of a public infrastructure system or facility within the Zone, directly or by contract with a third party.
- (3) Except as otherwise provided in this Article, to exercise the powers granted to a local government for development by G.S. 158-7.1 and the powers granted to certain local governments for development in G.S. 158-7.1(d1), except the power to levy a property tax.
- (4) To make grants and loans to support economic development projects authorized by this Article within the Zone.
- (5) Reserved.
- (6) To contract with units of local government within the Zone to administer the issuance of permits and approvals required of businesses.
- (7) To provide employee training programs to prepare workers for employment in the Zone.
- (8) To gather and maintain information of an economic, a business, or a commercial character that would be useful to businesses within the Zone.
- (9) To prepare specific site studies to assess the appropriateness of any area within the Zone for use or development by a business and to provide opportunities for businesses to examine sites.
- (10) To exercise the powers of a regional planning commission as provided in G.S. 153A-395 and a regional economic development commission as provided in G.S. 158-13, but the Zone does not have the authority to establish land-use zoning in any county.
- (11) To carry out the purposes of a consolidation and governmental study commission as provided in Article 20 of Chapter 153A of the General Statutes.
- (12) To enter in a reasonable manner land, water, or premises within the Zone to make surveys, soundings, drillings, or examinations. Such an entry shall not constitute trespass, but the Zone shall be liable for actual damages resulting from such an entry.
- (13) To monitor and encourage the use of utility corridors adjacent to intrastate and interstate highways within the Zone that are four-lane, divided, limited-access highways.
- (14) To plan for and assist in the extension of natural gas within the Zone.
- (15) To assist in the placement of an information highway within the Zone.
- (16) To do all other things necessary or appropriate to carry out its purposes as provided in this Article.

"§ 158-38. Fiscal accountability.

The Zone is a public authority subject to the provisions of Chapter 159 of the General Statutes.

"§ 158-39. Funds.

The establishment and operation of the Zone are governmental functions and constitute a public purpose. The State of North Carolina and any unit of local government may appropriate or otherwise provide funds to support the establishment and operation of the Zone. The State of North Carolina and any unit of local government may also dedicate, sell, convey, donate, or lease any of their interests in property to the Zone. The Zone may apply for grants from the State of North Carolina, the United States, or any department, agency, or instrumentality of the State or the United States. Any department of State government may allocate to the Zone any funds the use of which is not restricted by law.

"§ 158-40. Tax exemption.

Property owned by the Zone is exempt from taxation. This tax exemption does not apply to the lease, or other arrangement that amounts to a leasehold interest, of Zone property to a private party, or to the income of the lessee, unless the property is leased solely for the purpose of the Zone, in which case the activities of the lessee are considered the activities of the Zone.

"§ 158-41. Withdrawal; termination.

(a) Withdrawal. – A county participating in the Zone may, by resolution, withdraw from the Zone. A resolution withdrawing from the Zone may not become effective before the end of the fiscal year in which it is adopted. Upon adoption of a resolution withdrawing from the Zone, the board of commissioners of the county shall provide a copy of the resolution to the Secretary of State, the Commission, the Authority, and every other county participating in the Zone. Withdrawal does not entitle a county to early distribution of its beneficial interest in Zone assets, but a county that has withdrawn retains its right to any distributions that may be made to participating counties pursuant to subsection (b) of this section on the same basis as if it had not withdrawn. For all other purposes, a county that has withdrawn from the Zone no longer participates in the Zone.

(b) Termination. – The Commission may dissolve the Zone and terminate its existence at any time. If the Zone is dissolved and terminated or is otherwise unable to expend the tax proceeds received pursuant to G.S. 158-42, the Commission shall liquidate the assets of the Zone to the extent possible and distribute all Zone assets to the counties of the Zone in proportion to the amount of tax collected in each county. The assets of the Zone that exceed the amount of tax collected by the counties and are attributable to an appropriation made to the Zone by the General Assembly shall revert to the General Fund and may not be distributed to the counties. A county may use funds distributed to it pursuant to this subsection only for economic development projects and infrastructure construction projects. In calculating the amount to be refunded to each county, the Zone shall first allocate amounts loaned and not yet repaid as follows:

- (1) Amounts loaned for a project in a county will be allocated to that county to the extent of its beneficial ownership of the principal of the trust account created under G.S. 158-42 and the county will become the owner of the right to repayment of the amount loaned to the extent

of its beneficial ownership of the principal of the trust account created under G.S. 158-42.

- (2) Amounts not allocated pursuant to subdivision (1) shall be allocated among the remaining counties in proportion to the amount of tax collected in each county under G.S. 158-42, and the remaining counties shall become the owners of the right to repayment of the amounts loaned in proportion to the amount of tax collected in each county under G.S. 158-42.

Notes and other instruments representing the right to repayment shall, upon dissolution of the Zone, be held and collected by the State Treasurer, who shall disburse the collections to the counties as provided in this subsection.

The Commission shall distribute those assets that it is unable to liquidate among the Zone counties insofar as practical on an equitable basis, as determined by the Commission. Upon termination, the State of North Carolina shall succeed to any remaining rights, obligations, and liabilities of the Zone not assigned to the Zone counties.

"§ 158-42. Temporary Zone vehicle registration tax.

(a) Levy. – The Commission may, by resolution, after not less than 10 days' public notice and a public hearing, levy an annual registration tax of five dollars (\$5.00) on motor vehicles with a tax situs within the Zone. A tax levied under this section is in addition to any other motor vehicle license or registration tax.

The tax applies to vehicles required to pay a tax under G.S. 20-88 and G.S. 20-87(1), (2), (4), (5), (6), and (7). The tax situs of a motor vehicle for the purpose of this section is its ad valorem tax situs. If the vehicle is not subject to ad valorem tax, its tax situs for the purpose of this section is the ad valorem tax situs it would have if it were subject to ad valorem tax.

(b) Effective Date; Expiration. – The effective date of a tax levied under this section shall be no earlier than July 1, 1994. The effective date of a tax levied under this section must be the first day of a calendar month set by the Commission in the resolution levying the tax, and shall be no earlier than the first day of the third calendar month after the adoption of the resolution.

The authority of the Zone to levy a tax under this section expires five years after the effective date of the first tax levied under this section. A tax levied under this section expires when the Zone's authority to levy the tax expires. The expiration of the tax does not affect the rights or liabilities of the Zone, a taxpayer, or another person arising under this section before the expiration of the tax; nor does it affect the right to any refund or credit of a tax that would otherwise have been available under this section before the expiration of the tax.

(c) Repeal of Tax. – The Commission may, by resolution, repeal a tax levied under this section. The effective date of the repeal must be the first day of a calendar month set by the Commission in the resolution repealing the tax, and shall be no earlier than the first day of the third calendar month after the adoption of the resolution. Repeal of the tax does not affect the date the Zone's authority to levy the tax expires under subsection (b) of this section. Repeal of the tax does not affect the rights or

liabilities of the Zone, a taxpayer, or another person arising under this section before the effective date of the repeal; nor does it affect the right to any refund or credit of a tax that would otherwise have been available under this section before the effective date of the repeal.

(d) Administration. – The Division of Motor Vehicles of the Department of Transportation shall collect and administer a tax levied under this section. Immediately after adopting a resolution levying or repealing a tax under this section, the Commission shall deliver a certified copy of the resolution to the Division of Motor Vehicles. The tax is due at the same time and subject to the same restrictions as the tax levied in G.S. 20-87 and G.S. 20-88. The tax shall be prorated in accordance with G.S. 20-66 and G.S. 20-95, as applicable. The Commissioner of Motor Vehicles may adopt rules necessary to administer the tax.

(e) Distribution of Tax Proceeds. – The Commissioner of Motor Vehicles shall credit the proceeds of the tax levied under this section to a special account and distribute the net proceeds on a quarterly basis to the Zone. Interest on the special account shall be credited quarterly to the Highway Fund to reimburse the Division of Motor Vehicles for the cost of collecting and administering the tax. The Commissioner of Motor Vehicles shall provide the Zone with an accounting of the percentage of proceeds collected in each county of the Zone in each quarter.

(f) Use of Tax Proceeds. – The Zone may use the proceeds of the tax levied under this section only for economic development projects and infrastructure construction projects that are within the territorial jurisdiction of the Zone but not within the Global TransPark Complex. The Zone shall use the tax proceeds only for public purposes authorized by this Article.

The Zone shall place fifteen percent (15%) of the tax proceeds distributed to it under this section in a general funds account and the remaining eighty-five percent (85%) in an interest-bearing trust account. Each county shall be the beneficial owner of a share of the principal of the trust account in proportion to the amount of tax proceeds collected in that county.

The Zone may not disburse the principal of the trust account except pursuant to a contract that provides that, within a reasonable time not to exceed 20 years, the Zone will recover or be repaid the amount disbursed. The Zone may, in its discretion, set reasonable terms and conditions for the repayment of the principal disbursed, including provisions for securing the debt and the payment of interest."

Sec. 2. Section 1.2 of Chapter 749 of the 1991 Session Laws is repealed.

Sec. 3. This act is effective upon ratification. The creation of the Global TransPark Development Zone in accordance with G.S. 158-33, as enacted by this act, is valid only if the resolutions required by G.S. 158-33(a) are adopted after the effective date of this act.

In the General Assembly read three times and ratified this the 24th day of July, 1993.

Marc Basnight
President Pro Tempore of the Senate

Daniel Blue, Jr.
Speaker of the House of Representatives