

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 1817

Short Title: Regional Sports Authorities.

(Public)

Sponsors: Representatives Fussell; Stamey, Wisner, Blue, and Michaux.

Referred to: Human Resources.

May 8, 1989

A BILL TO BE ENTITLED

AN ACT TO ALLOW THE CREATION OF REGIONAL SPORTS AUTHORITIES.

The General Assembly of North Carolina enacts:

Section 1. Article 20 of Chapter 160A of the General Statutes is amended to add a new Part to read as follows:

**“PART 3. REGIONAL SPORTS AUTHORITIES.**

**“§ 160A-479. Creation of authority; definition.**

(a) Any two or more units of local government may create a regional sports authority by adopting identical concurrent resolutions to that effect in accordance with the provisions of this Part. The concurrent resolutions creating a regional sports authority, and any amendments thereto will be referred to in this Part as the ‘charter’ of the regional sports authority. For the purposes of this Part, ‘unit of local government’ means a county, city or consolidated city-county.

(b) Any regional sports authority created pursuant to this Part shall be a body corporate and politic.

**“§ 160A-479.1. Purpose of the authority.**

The purpose of a regional sports authority shall be to research, design, construct, provide, finance, operate, improve, and maintain facilities for public participation and enjoyment of sports, fitness, health and recreational activities of as many different types and kinds as possible. The primary purpose of any and all such facilities shall be the conduct of sports events but use of these facilities need not be limited to such.

**“§ 160A-479.2. Jurisdiction of the authority.**

1 (a) The territorial jurisdiction of any authority created pursuant to this Part shall  
2 be coterminous with the boundaries of the respective units of local government creating  
3 and participating in the authority.

4 (b) The jurisdiction of any authority created pursuant to this Part shall include  
5 any and all currently existing public sports facilities operating within its territorial  
6 jurisdiction to the extent that any person or governmental entity owning or controlling  
7 such facilities have reached mutual and written agreement with an authority for the  
8 operation and maintenance of such facilities by the authority.

9 (c) The jurisdiction of an authority shall also include any and all new public  
10 sports facilities within the regional authority's territorial jurisdiction developed  
11 specifically for operation and maintenance by an authority with the agreement of an  
12 authority.

13 **"§ 160A-479.3. Membership.**

14 Each unit of local government initially adopting a concurrent resolution under G.S.  
15 160A-479 shall become a member of the regional authority. Thereafter, any local  
16 government may join the regional authority by ratifying its charter and by being  
17 admitted by a majority vote of the existing members. All of the rights and privileges of  
18 membership in a regional sports authority shall be exercised on behalf of its member  
19 governments by their delegates to the authority.

20 **"§ 160A-479.4. Contents of charter.**

21 The charter of a regional sports authority shall:

- 22 (1) Specify the name of the authority;
- 23 (2) Establish the powers, duties, and functions that it may exercise and  
24 perform;
- 25 (3) Establish the number of delegates to represent the member  
26 governments, fix their terms of office, provide methods for filling  
27 vacancies, and prescribe the compensation and allowances, if any, to  
28 be paid to delegates;
- 29 (4) Set out the method of determining the financial support that will be  
30 given to the authority by each member government;
- 31 (5) Establish a method for amending the charter, and for dissolving the  
32 authority and liquidating its assets and liabilities.

33 In addition, the charter may, but need not, contain rules and regulations for the conduct  
34 of authority business and any other matter pertaining to the organization, powers, and  
35 functioning of the authority that the member governments deem appropriate.

36 **"§ 160A-479.5. Organization of authority.**

37 Upon its creation, a regional sports authority shall meet at a time and place agreed  
38 upon by its member governments and shall organize by electing a chairman and any  
39 other officers that the charter may specify or the delegates may deem advisable. The  
40 authority shall then adopt bylaws for the conduct of its business. All meetings of the  
41 authority shall be open to the public.

42 **"§ 160A-479.6. Withdrawal from authority.**

43 Any member government may withdraw from a regional sports authority at the end  
44 of any fiscal year by giving at least 60 days' written notice to each of the other

1 members. Withdrawal of a member government shall not dissolve the authority if at  
2 least two members remain.

3 **"§ 160A-479.7. Powers of authority.**

4 The charter shall confer on the regional sports authority all of the following powers:

- 5 (1) To apply for, accept, receive, and dispense funds and grants made  
6 available to it by the State of North Carolina or any agency thereof, the  
7 United States of America or any agency thereof, any unit of local  
8 government (whether or not a member of the authority), and any  
9 private or civic agency;
- 10 (2) To employ personnel;
- 11 (3) To contract with consultants;
- 12 (4) To contract with the State of North Carolina, any other state, the  
13 United States of America, or any agency thereof, for services;
- 14 (5) To adopt bylaws for the regulation of the affairs and the conduct of its  
15 business, and to prescribe rules, regulations and policies in connection  
16 with the performance of its functions and duties, not inconsistent with  
17 this Part;
- 18 (6) To adopt an official seal and alter the same at pleasure;
- 19 (7) To acquire and maintain an administrative building or office at such  
20 place or places as it may determine, which building or office may be  
21 used or owned alone or together with any municipalities, corporations,  
22 associations or persons under such terms and provisions for sharing  
23 costs and otherwise as may be determined;
- 24 (8) To sue and be sued in its own name, and to plead and be impleaded;
- 25 (9) To receive, administer, and comply with the conditions and  
26 requirements respecting any gift, grant, or donation of any property or  
27 money;
- 28 (10) To acquire by purchase, lease, gift, or otherwise, or to obtain options  
29 for the acquisition of, any property, real or personal, improved or  
30 unimproved, including an interest in land less than the fee thereof;
- 31 (11) To sell, lease, exchange, transfer, or otherwise dispose of, or to grant  
32 options for any such purposes with respect to, any real or personal  
33 property or interest therein;
- 34 (12) To pledge, assign, mortgage, or otherwise grant a security interest in  
35 any real or personal property or interest therein, including the right and  
36 power to pledge, assign, or otherwise grant a security interest in any  
37 money, rents, charges, or other revenues and any proceeds derived by  
38 an authority from any and all sources;
- 39 (13) To issue bonds of the authority for the purpose of providing funds for  
40 any of its corporate purposes;
- 41 (14) With the approval of the unit of local government's chief  
42 administrative official, to use officers, employees, agents, and facilities  
43 of the unit of local government for such purposes and upon such terms  
44 as may be mutually agreeable;

- 1           (15) To develop and make data, plans, information, surveys, and studies of  
2           public sports and recreation facilities within the territorial jurisdiction  
3           of an authority, to prepare and make recommendations in regard  
4           thereto;
- 5           (16) To study and plan for new and improved major regional sports and  
6           recreational facilities including but not limited to arenas, stadia,  
7           gymnasias, natatoria, pitches, fields, water courses, and other areas for  
8           the conduct of sports and recreational activities. These facilities  
9           should be of such sizes and in such locations that they will be adequate  
10           to serve the population of the entire jurisdiction of the authority (and  
11           beyond) to the extent possible;
- 12           (17) To design any new such facilities so they include such equipment and  
13           design that efficiency, cost, accessibility, utility, and usability of such  
14           facilities will be maximized;
- 15           (18) To have sports facilities grouped into complexes or separated as an  
16           authority may see fit, and such facilities may include ancillary support  
17           facilities including but not limited to those for administration, sports  
18           science, sports medicine, training, museums, meeting rooms and  
19           conference centers, accommodations, food services, retail shops,  
20           theatres, video services, schools, and educational services.
- 21           (19) To operate the facilities in such a way as to make them as accessible as  
22           possible for rental and use by the public while balancing the need for  
23           as many of the facilities as possible (particularly any arenas and stadia)  
24           to operate annually without a deficit (exclusive of any debt service);
- 25           (20) To operate such facilities together with the State, any entity of the  
26           State, or local government as appropriate to maintain a high profile  
27           and promotional value for North Carolina and the region encompassed  
28           by an authority and to attract as many major regional, national, and  
29           international tournaments, events, championships training centers,  
30           training camps, and headquarters for the governance of various sports,  
31           associations, and events as reasonable and possible;
- 32           (21) To generate a significant and continuing positive economic impact on  
33           the region and State through the construction and operation of facilities  
34           and conduct of events and activities within the facilities;
- 35           (22) To set and collect such fees and charges for use of such facilities as is  
36           reasonable to offset operating costs of said facilities and yet enable  
37           said facilities to be affordable to and used by as much of the regional  
38           and State population as possible;
- 39           (23) To collect or contract for the collection of taxes;
- 40           (24) To apply to the appropriate agencies of the State, the United States or  
41           any state thereof, and to any other proper agency for such permits,  
42           licenses, certificates or approvals as may be necessary, and to  
43           construct, maintain and operate projects in accordance with such

1 licenses, permits, certificates or approvals in the same manner as any  
2 other person or operating unit of any other person;

3 (25) To employ engineers, architects, attorneys, real estate counselors,  
4 appraisers, financial advisors and such other consultants and  
5 employees as may be required in the judgment of an authority and to  
6 fix and pay their compensation from funds available to an authority  
7 therefor and to select and retain subject to approval of the Local  
8 Government Commission, the financial consultants, underwriters and  
9 bond attorneys to be associated with the issuance of any bonds and to  
10 pay for services rendered by underwriters, financial consultants, or  
11 bond attorneys out of the proceeds of any such issue with regard to  
12 which the services were performed;

13 (26) To do all acts and things necessary, convenient, or desirable to carry  
14 out the purposes, and to exercise the powers granted to an authority  
15 herein.

16 **"§ 160A-479.8 Fiscal accountability.**

17 A Regional Sports Authority is a public authority subject to the provisions of  
18 Chapter 159 of the General Statutes of North Carolina.

19 **"§ 160A-479.9 Funds.**

20 (a) The establishment and corporation of an authority as herein authorized are  
21 governmental functions and constitute a public purpose, and the State of North Carolina  
22 and any unit of local government may appropriate funds to support the establishment  
23 and corporation of an authority.

24 (b) The State of North Carolina and any unit of local government may also  
25 dedicate, sell, convey, donate or lease any of their interests in any property to an  
26 authority.

27 (c) An authority may establish such license and regulatory fees and charges as it  
28 may deem appropriate.

29 (d) If the governing body of an authority finds that the funds otherwise available  
30 are insufficient, it may call a special election without a petition and submit to the  
31 qualified voters within the territorial jurisdiction of an authority the question of whether  
32 or not a special tax shall be levied and/or bonds issued, specifying the maximum  
33 amount thereof, for the purpose of acquiring lands, buildings, equipment and facilities  
34 and for the operating of an authority.

35 (e) The special tax may be one or more of the following:

36 (1) Property taxes.

37 (2) Sales taxes, including:

38 a. General,

39 b. Services only,

40 c. Less food and medicine.

41 **"§ 160A-479.10. Controlling provisions.**

42 Insofar as the provisions of this Part are not consistent with the provisions of any  
43 other law, public or private, the provisions of this Part shall be controlling.

44 **"§ 160A-479.11. Conflicts of interest of public officials.**

1 No member, officer, or employee of an authority or of any affiliated unit of local  
2 government during his tenure or for one year thereafter shall have any interest, direct or  
3 indirect, in an authority or the proceeds thereof.

4 **"§ 160A-479.12. Bonds and notes authorized.**

5 In addition to the powers hereinbefore granted, an authority shall have the power to  
6 issue bonds and notes pursuant to the provisions of the Local Government Bond Act and  
7 the Local Government Revenue Bond Act for the purpose of financing regional sports  
8 and recreational facilities (including support facilities) or any Part thereof and to refund  
9 such bonds and notes, whether or not in advance of their maturity or earliest redemption  
10 date.

11 **"§ 160A-479.13. Tax exemption.**

12 (a) The property of an authority, both real and personal, its acts, activities and  
13 income shall be exempt from any tax or tax obligation; in the event of any lease of  
14 authority property, or other arrangement which amounts to a leasehold interest, to a  
15 private party, this exemption shall not apply to the value of such leasehold interest nor  
16 shall it apply to the income of the lessee.

17 (b) Otherwise, however, for the purpose of taxation, when property of an  
18 authority is leased to private parties solely for the purpose of an authority, the acts and  
19 activities of an authority for the purpose of exemption of the lessee shall be considered  
20 as the acts and activities of the private parties.

21 (c) The interest on bonds or obligations issued by an authority shall be exempt  
22 from State taxes."

23 Sec. 2. G.S. 40A-3(c) is amended by adding a new subdivision to read:

24 "(13) A regional sports authority established under the provisions of Part 3 of  
25 Article 20 of Chapter 160A of the General Statutes for the purposes of that Part."

26 Sec. 3. This act shall apply only if one of the two or more units of local  
27 government adopting concurrent resolutions pursuant to G.S. 160A-479 is a county  
28 containing the capital of the State.

29 Sec. 4. There is appropriated \$10,000 from the General Fund for fiscal year  
30 1989-90 to the Department of Administration to pay the administrative costs of  
31 implementing this act.

32 Sec. 5. This act is effective upon ratification.