

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 892

Short Title: Davie/Mocksville Local Development.

(Local)

Sponsors: Representative Howard.

Referred to: Finance.

April 12, 1993

A BILL TO BE ENTITLED

AN ACT TO MODIFY THE AUTHORITY OF DAVIE COUNTY AND THE TOWN
OF MOCKSVILLE TO UNDERTAKE LOCAL DEVELOPMENT ACTIVITIES.

The General Assembly of North Carolina enacts:

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

"§ 158-7.1. Local development.

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

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

(1) A county or city may acquire and develop land for an industrial park, to be used for manufacturing, assembly, fabrication, processing, warehousing, research and development, office use, or similar

1 industrial or commercial purposes. A county may acquire land
2 anywhere in the county, including inside of cities, for an industrial
3 park, while a city may acquire land anywhere in the county or counties
4 in which it is located. A county or city may develop the land by
5 installing utilities, drainage facilities, street and transportation
6 facilities, street lighting, and similar facilities; may demolish or
7 rehabilitate existing structures; and may prepare the site for industrial
8 or commercial uses. A county or city may engage in site preparation
9 for industrial properties or facilities, whether the industrial property or
10 facility is publicly or privately owned. A county or city may convey
11 property located in an industrial park pursuant to subsection (d) of this
12 section.

13 (2) A county or city may acquire, assemble, and hold for resale property
14 that is suitable for industrial or commercial use. A county may acquire
15 such property anywhere in the county, including inside of cities, while
16 a city may acquire such property inside the city or, if the property will
17 be used by a business that will provide jobs to city residents, anywhere
18 in the county or counties in which it is located. A county or city may
19 convey property acquired or assembled pursuant to this paragraph
20 pursuant to subsection (d) of this section.

21 (3) A county or city may acquire options for the acquisition of property
22 that is suitable for industrial or commercial use. The county or city
23 may assign such an option, following such procedures, for such
24 consideration, and subject to such terms and conditions as the county
25 or city deems desirable.

26 (4) A county or city may acquire or construct one or more "shell
27 buildings", which are structures of flexible design adaptable for use by
28 a variety of industrial or commercial businesses. A county or city may
29 convey or lease a shell building or space in a shell building pursuant to
30 subsection (c) of this section.

31 (5) A county or city may construct, extend or own utility facilities or may
32 provide for or assist in the extension of utility services to be furnished
33 to an industrial facility, whether the utility is publicly or privately
34 owned.

35 (6) A county or city may extend or may provide for or assist in the
36 extension of water and sewer lines to industrial properties or facilities,
37 whether the industrial property or facility is publicly or privately
38 owned.

39 (c) Any appropriation or expenditure pursuant to subsection (b) of this section
40 must be approved by the county or city governing body after a public hearing. The
41 county or city shall publish notice of the public hearing at least 10 days before the
42 hearing is held. The notice shall describe the interest to be acquired, the proposed
43 acquisition cost of such interest, the governing body's intention to approve the

1 acquisition, the source of funding for the acquisition and such other information needed
2 to reasonably describe the acquisition.

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

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

22 (1) The governing board of the county or city shall determine that the
23 conveyance of the property will stimulate the local economy, promote
24 business, and result in the creation of a substantial number of jobs in
25 the county or city.

26 (2) The governing board of the county or city shall contractually bind the
27 purchaser of the property to construct improvements on the property
28 within a specified period of time, not to exceed 10 years, which
29 improvements are sufficient to generate the tax revenue taken into
30 account in arriving at the consideration. Upon failure to construct the
31 improvements specified in the contract, the purchaser shall reconvey
32 the property back to the county or city.

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

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

42 (f) All appropriations and expenditures pursuant to subsections (b) and (c) of this
43 section shall be subject to the following limitations: No county or city shall have an
44 aggregate investment outstanding at any one time which exceeds one-half of one

- 1 percent (0.5%) of the outstanding assessed property tax valuation for the governing
2 body as of January 1 of each year, beginning January 1, 1986.
- 3 (g) Repealed by Session Laws 1989, c. 374, s. 1."
4 Sec. 2. This act applies only to Davie County and the Town of Mocksville.
5 Sec. 3. This act is effective upon ratification.