

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

S

3

SENATE BILL 853*
Second Edition Engrossed 4/21/93
House Committee Substitute Favorable 7/14/93

Short Title: Global TransPark Development Zone.

(Public)

Sponsors:

Referred to:

April 14, 1993

A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE COUNTIES THAT WILL DERIVE ECONOMIC
2 BENEFITS FROM THE NORTH CAROLINA GLOBAL TRANSPARK TO
3 FORM A GLOBAL TRANSPARK DEVELOPMENT ZONE TO PROMOTE
4 ECONOMIC DEVELOPMENT OF, AND TO ENCOURAGE
5 INFRASTRUCTURE CONSTRUCTION IN, THE COUNTIES OF THE ZONE.
6

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

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

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

20 Whereas, the General Assembly anticipates that the North Carolina Global
21 TransPark will stimulate economic growth and the creation of job opportunities in a
22 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 counties that will derive economic benefits from the Global TransPark 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 counties that find they have the potential to derive economic benefits from the North Carolina Global TransPark to create a special economic development district, to be known as the Global TransPark Development Zone. The General Assembly finds that the entire State will benefit from the creation of the Zone; any county may become a member of the Zone as provided in this Article. The General Assembly finds that the following counties, which are in close proximity to the North Carolina Global TransPark, have requested the creation of the Zone and believe that they will derive direct economic benefits from the Global TransPark: Carteret, Craven, Duplin, Edgecombe, Greene, Jones, Lenoir, Nash, New Hanover, Onslow, 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.

1 **"§ 158-32. Definitions.**

2 The following definitions apply in this Article:

- 3 (1) Authority. – The North Carolina Air Cargo Airport Authority created
4 under Chapter 63A of the General Statutes, doing business as the
5 North Carolina Global TransPark Authority.
- 6 (2) Commission. – The Global TransPark Development Commission, the
7 governing body of the Global TransPark Development Zone.
- 8 (3) Global TransPark Complex. – The approximately four to six thousand
9 acre site designated by the Authority for a cargo airport and related
10 facilities in Lenoir County. The site will contain a modern airport
11 large enough to handle the largest aircraft and will be dedicated to the
12 rapid movement of freight and passengers by air with intermodal
13 connecting links with rail, highway, and water transportation facilities.
- 14 (4) North Carolina Global TransPark. – A large area surrounding and
15 including the Global TransPark Complex, which will contain
16 commercial and industrial sites providing attractive locations for
17 business and industry of differing sizes and varying kinds.
- 18 (5) Unit of local government. – A local subdivision or unit of government
19 or a local public corporate entity, including any type of special district
20 or public authority.
- 21 (6) Zone. – The Global TransPark Development Zone, an economic
22 development district created pursuant to this Article.

23 **"§ 158-33. Creation of Global TransPark Development Zone.**

24 (a) Resolution to Create Zone. – Any three or more counties that find they have
25 the potential to derive economic benefits from the North Carolina Global TransPark
26 may create the Global TransPark Development Zone as provided in this section. In
27 order to create the Zone, the governing bodies of the counties creating the Zone must
28 first adopt, on or before October 1, 1993, substantially similar resolutions stating their
29 intent to organize the Zone pursuant to this Article. Each resolution shall include
30 articles of incorporation for the Zone which shall set forth the following:

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

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

43 (c) Incorporation of Zone. – Each county that adopts a resolution as provided in
44 this section shall file a certified copy of the resolution with the Secretary of State on or

1 before October 15, 1993, together with proof of publication of notice of the hearing on
2 the resolution. Each resolution must contain the county clerk's attestation that it was
3 adopted by the board of commissioners. If the Secretary of State finds that the
4 resolutions, including the articles of incorporation, conform to the provisions of this
5 Article and that notices of the hearings were properly published, the Secretary of State
6 shall file the resolutions and proofs of publication and shall issue a certificate of
7 incorporation for the Zone under the seal of the State. The Secretary of State shall
8 record the certificate of incorporation in an appropriate book of record in the Secretary
9 of State's office.

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

15 **"§ 158-34. Territorial jurisdiction of Zone.**

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

18 **"§ 158-35. Commission membership, officers, compensation.**

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

22 (1) The board of commissioners of each county participating in the Zone
23 shall appoint three voting members, one of whom shall be a minority
24 person as defined in G.S. 143-128(c) and one of whom may be a
25 member of the board of commissioners.

26 (2) The Authority shall appoint at least three but no more than seven
27 voting members. By the appointment of these members, the Authority
28 shall ensure that the voting membership of the Commission includes at
29 least seven women and seven members of a racial minority described
30 in G.S. 143-128(c). The Authority shall appoint the fewest number of
31 members necessary to achieve these minimums.

32 (3) Four nonvoting members shall be appointed as follows:

33 a. One appointed by the Chancellor of East Carolina University to
34 represent the University.

35 b. One appointed by a majority vote of the presidents of the
36 community colleges located in the Zone, to represent the
37 community colleges.

38 c. One appointed by the chair of the State Ports Authority, to
39 represent the sea ports of the State.

40 d. One member of the board of directors of the Global TransPark
41 Foundation, Inc., appointed by that board.

42 (b) Terms. – Members of the Commission shall serve for staggered four-year
43 terms. The members appointed by the Chancellor of East Carolina University and by
44 the chair of the State Ports Authority shall serve an initial term of two years. The

1 members appointed by the community colleges located in the Zone and by the board of
2 directors of the Global TransPark Foundation, Inc., shall serve an initial term of four
3 years. The Authority shall designate at least one-half of its appointees to serve an initial
4 term of two years; its remaining appointees shall serve an initial term of four years.
5 Each board of commissioners shall designate one of its appointees to serve an initial
6 term of four years, one to serve an initial term of two years, and one to serve an initial
7 term to be determined at the first meeting of the Commission. One-half of the
8 appointees designated to serve an undetermined initial term shall serve an initial term of
9 two years, as determined by lot at the first meeting of the Commission. The remainder
10 of the appointees designated to serve an undetermined initial term shall serve an initial
11 term of four years. Initial terms begin upon approval by the Secretary of State of the
12 articles of incorporation.

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

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

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

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

30 **"§ 158-36. Voting.**

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

35 **"§ 158-37. Powers of the Zone.**

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

- 37 (1) The powers of a corporate body, including the power to sue and be
38 sued and to adopt and use a common seal.
- 39 (2) To adopt bylaws and resolutions in accordance with this Article for its
40 organization and internal management.
- 41 (3) To employ persons as necessary and to fix their compensation within
42 the limit of available funds.
- 43 (4) With the approval of the unit of local government's chief
44 administrative official, to use officers, employees, agents, and facilities

- 1 of a unit of local government for purposes and upon terms agreed upon
2 with the unit of local government.
- 3 (5) To make contracts, deeds, leases with or without option to purchase,
4 conveyances, and other instruments, including contracts with the
5 United States, the State of North Carolina, and units of local
6 government.
- 7 (6) To acquire, lease as lessee with or without option to purchase, hold,
8 own, and use any franchise or property or any interest in a franchise or
9 property, within the limit of available funds.
- 10 (7) To transfer, lease as lessor with or without option to purchase,
11 exchange, or otherwise dispose of any franchise or property or any
12 interest in a franchise or property, within the limit of available funds.
- 13 (8) To surrender to the State of North Carolina any property no longer
14 required by the Zone.
- 15 (b) The economic development powers of the Zone include the following, to the
16 extent appropriate to carry out its purposes as provided in this Article:
- 17 (1) To levy a temporary annual motor vehicle registration tax on vehicles
18 with a tax situs within the Zone, as provided in G.S. 158-42.
- 19 (2) To acquire, construct, improve, maintain, repair, operate, or administer
20 any component part of a public infrastructure system or facility within
21 the Zone, directly or by contract with a third party.
- 22 (3) Except as otherwise provided in this Article, to exercise the powers
23 granted to a local government for development by G.S. 158-7.1 and
24 the powers granted to certain local governments for development in
25 G.S. 158-7.1(d1), except the power to levy a property tax.
- 26 (4) To make grants and loans to support economic development projects
27 authorized by this Article within the Zone.
- 28 (5) With the approval of every county participating in the Zone, to
29 coordinate and regulate the procedures necessary for businesses
30 quickly and efficiently to obtain permits and approvals required from
31 units of local government within the Zone.
- 32 (6) To contract with units of local government within the Zone to
33 administer the issuance of permits and approvals required of
34 businesses.
- 35 (7) To provide employee training programs to prepare workers for
36 employment in the Zone.
- 37 (8) To gather and maintain information of an economic, a business, or a
38 commercial character that would be useful to businesses within the
39 Zone.
- 40 (9) To prepare specific site studies to assess the appropriateness of any
41 area within the Zone for use or development by a business and to
42 provide opportunities for businesses to examine sites.
- 43 (10) To exercise the powers of a regional planning commission as provided
44 in G.S. 153A-395 and a regional economic development commission

1 as provided in G.S. 158-13, but the Zone does not have the authority to
2 establish land-use zoning in any county.

3 (11) To carry out the purposes of a consolidation and governmental study
4 commission as provided in Article 20 of Chapter 153A of the General
5 Statutes.

6 (12) To enter in a reasonable manner land, water, or premises within the
7 Zone to make surveys, soundings, drillings, or examinations. Such an
8 entry shall not constitute trespass, but the Zone shall be liable for
9 actual damages resulting from such an entry.

10 (13) To monitor and encourage the use of utility corridors adjacent to
11 intrastate and interstate highways within the Zone that are four-lane,
12 divided, limited-access highways.

13 (14) To plan for and assist in the extension of natural gas within the Zone.

14 (15) To assist in the placement of an information highway within the Zone.

15 (16) To do all other things necessary or appropriate to carry out its purposes
16 as provided in this Article.

17 **"§ 158-38. Fiscal accountability.**

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

20 **"§ 158-39. Funds.**

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

30 **"§ 158-40. Tax exemption.**

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

36 **"§ 158-41. Withdrawal; termination.**

37 (a) Withdrawal. – A county participating in the Zone may, by resolution,
38 withdraw from the Zone. A resolution withdrawing from the Zone may not become
39 effective before the end of the fiscal year in which it is adopted. Upon adoption of a
40 resolution withdrawing from the Zone, the board of commissioners of the county shall
41 provide a copy of the resolution to the Secretary of State, the Commission, the
42 Authority, and every other county participating in the Zone. Withdrawal does not
43 entitle a county to early distribution of its beneficial interest in Zone assets, but a county
44 that has withdrawn retains its right to any distributions that may be made to

1 participating counties pursuant to subsection (b) of this section on the same basis as if it
2 had not withdrawn. For all other purposes, a county that has withdrawn from the Zone
3 no longer participates in the Zone.

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

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

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

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

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

35 **§ 158-42. Temporary Zone vehicle registration tax.**

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

40 The tax applies to vehicles required to pay a tax under G.S. 20-88 and G.S. 20-87(1),
41 (2), (4), (5), (6), and (7). The tax situs of a motor vehicle for the purpose of this section
42 is its ad valorem tax situs. If the vehicle is not subject to ad valorem tax, its tax situs for
43 the purpose of this section is the ad valorem tax situs it would have if it were subject to
44 ad valorem tax.

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

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

12 **(c) Repeal of Tax.** – The Commission may, by resolution, repeal a tax levied
13 under this section. The effective date of the repeal must be the first day of a calendar
14 month set by the Commission in the resolution repealing the tax, and shall be no earlier
15 than the first day of the third calendar month after the adoption of the resolution.
16 Repeal of the tax does not affect the date the Zone's authority to levy the tax expires
17 under subsection (b) of this section. Repeal of the tax does not affect the rights or
18 liabilities of the Zone, a taxpayer, or another person arising under this section before the
19 effective date of the repeal; nor does it affect the right to any refund or credit of a tax
20 that would otherwise have been available under this section before the effective date of
21 the repeal.

22 **(d) Administration.** – The Division of Motor Vehicles of the Department of
23 Transportation shall collect and administer a tax levied under this section. Immediately
24 after adopting a resolution levying or repealing a tax under this section, the Commission
25 shall deliver a certified copy of the resolution to the Division of Motor Vehicles. The
26 tax is due at the same time and subject to the same restrictions as the tax levied in G.S.
27 20-87 and G.S. 20-88. The tax shall be prorated in accordance with G.S. 20-66 and
28 G.S. 20-95, as applicable. The Commissioner of Motor Vehicles may adopt rules
29 necessary to administer the tax.

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

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

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

1 of the principal of the trust account in proportion to the amount of tax proceeds
2 collected in that county.

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

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

9 Sec. 3. This act is effective upon ratification.