

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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HOUSE BILL 1711

Short Title: Extend Development Zones.

(Public)

Sponsors: Representative Miller.

Referred to: Rules, Calendar, and Operations of the House.

May 12, 2005

1 A BILL TO BE ENTITLED
2 AN ACT TO MODIFY AND EXTEND THE SUNSET ON DEVELOPMENT ZONES.
3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** G.S. 105-129.3A is recodified as G.S. 143B-434.5 and reads
5 as rewritten:

6 "**§ 143B-434.5. Development zone designation.**

7 (a) Development Zone Defined. – A development zone is an area comprised of
8 one or more contiguous census tracts, census block groups, or both in the most recent
9 federal decennial census that meets all of the following conditions:

- 10 (1) Every census tract and census block group in the zone is located in
11 whole or in part within the primary corporate limits of a city with a
12 population of more than 5,000 according to the most recent annual
13 population estimates certified by the State Budget Officer.
- 14 (2) It has a population of ~~1,000~~ 950 or more according to the most recent
15 annual population estimates certified by the State Budget Officer.
- 16 (3) More than twenty percent (20%) of its population is below the poverty
17 level according to the most recent federal decennial census.
- 18 (4) Every census tract and census block group in the zone meets at least
19 one of the following conditions:
- 20 a. More than ten percent (10%) of its population is below the
21 poverty level according to the most recent federal decennial
22 census.
- 23 b. It is immediately adjacent to another census tract or census
24 block group that is in the same zone and has more than twenty
25 percent (20%) of its population below the poverty level
26 according to the most recent federal decennial census.
- 27 (5) None of the census tracts or census block groups in the zone is located
28 in another development zone designated by the Secretary of
29 Commerce.

1 (b) Designation. – Upon request of a taxpayer or a local government, the
2 Secretary of Commerce shall designate whether an area is a development zone that
3 meets the conditions of subsection (a) of this section. If the applicant is a taxpayer, it
4 must notify each city in which part of the zone is located. A development zone
5 designation is effective for 24 months following the designation. The Department of
6 Commerce must publish annually a list of all development zones with a description of
7 their boundaries.

8 (c) Relationship With Enterprise Tiers. – For the purpose of the wage standard
9 requirement of G.S. 105-129.4, the credit for investing in machinery and equipment
10 allowed in G.S. 105-129.9, and the credit for worker training allowed in
11 G.S. 105-129.11, a development zone is considered an enterprise tier one area. For all
12 other purposes, a development zone has the same enterprise tier designation as the
13 county in which it is located.

14 (d) Parcel of Property Partially in a Development Zone. – For the purposes of this
15 section, a parcel of property that is located partially within a development zone is
16 considered entirely within the development zone if all of the following conditions are
17 satisfied:

- 18 (1) At least fifty percent (50%) of the parcel is located within the
19 development zone.
- 20 (2) The parcel was in existence and under common ownership prior to the
21 most recent federal decennial census.
- 22 (3) The parcel is a portion of land made up of one or more tracts or tax
23 parcels of land that is surrounded by a continuous perimeter
24 boundary."

25 **SECTION 2.** G.S. 105-129.2(7) reads as rewritten:

26 **"§ 105-129.2. Definitions.**

27 The following definitions apply in this Article:

28 ...

- 29 (7) Development zone. – An area designated as a development zone
30 pursuant to G.S. ~~105-129.3A, 143B-434.5.~~"

31 **SECTION 3.** G.S. 143B-437.04(b) reads as rewritten:

32 "(b) In order to qualify for the benefits of this section, after an area is designated a
33 development zone under G.S. ~~105-129.3A, 143B-434.5,~~ the governing body of the city
34 in which the zone is located must adopt a strategy to improve the zone and establish a
35 development zone committee to oversee the strategy. The strategy and the committee
36 must conform with requirements established by the Secretary of Commerce."

37 **SECTION 4.** G.S. 160A-425.1(c) reads as rewritten:

38 "(c) If an inspector declares a residential building or nonresidential building or
39 structure to be unsafe under subsection (b) of this section, the inspector must affix a
40 notice of the unsafe character of the structure to a conspicuous place on the exterior wall
41 of the building. For the purposes of this section, the term 'community development
42 target area' means an area that has characteristics of a development zone under
43 G.S. ~~105-129.3A, 143B-434.5,~~ a 'nonresidential redevelopment area' under

1 G.S. 160A-503(10), or an area with similar characteristics designated by the city council
2 as being in special need of revitalization for the benefit and welfare of its citizens."

3 **SECTION 5.** G.S. 160A-426(c) reads as rewritten:

4 "(c) If an inspector declares a nonresidential building or structure to be unsafe
5 under subsection (b) of this section, the inspector must affix a notice of the unsafe
6 character of the structure to a conspicuous place on the exterior wall of the building. For
7 the purposes of this section, the term 'community development target area' means an
8 area that has characteristics of a development zone under G.S. ~~105-129.3A, 143B-434.5,~~
9 a 'nonresidential redevelopment area' under G.S. 160A-503(10), or an area with similar
10 characteristics designated by the city council as being in special need of revitalization
11 for the benefit and welfare of its citizens."

12 **SECTION 6.** This act is effective when it becomes law.