

NORTH CAROLINA GENERAL ASSEMBLY
1973 SESSION

CHAPTER 1173
HOUSE BILL 747

AN ACT TO PROVIDE FOR ANNEXATION BY CITIES OF AREAS NOT
CONTIGUOUS TO THE CORPORATE LIMITS UPON UNANIMOUS
PETITION OF THE PROPERTY OWNERS IN SUCH AREAS.

The General Assembly of North Carolina enacts:

Section 1. It is hereby declared as a matter of State policy that legislation authorizing annexation by cities of areas not contiguous to their corporate limits should be uniform for all cities having such authority.

Sec. 2. Article 36 of Chapter 160 of the General Statutes is amended by inserting a new Part therein as follows:

"Part 4. Annexation of Noncontiguous Areas.

"§ 160-453.25. **Definitions.** – The words and phrases defined in this section have the meanings indicated when used in this Part unless the context clearly requires another meaning:

(1) 'City' means any city, town, or village without regard to population, except cities not qualified to receive gasoline tax allocations under G.S. 136-41.2.

(2) 'Primary corporate limits' means the corporate limits of a city as defined in its Charter, enlarged or diminished by subsequent annexations or exclusions of contiguous territory pursuant to Parts 1, 2, and 3 of this Article or local acts of the General Assembly.

(3) 'Satellite corporate limits' means the corporate limits of a noncontiguous area annexed pursuant to this Part or a local act authorizing or effecting noncontiguous annexations.

"§ 160-453.26. **Petition for annexation; standards.** – (a) Upon receipt of a valid petition signed by all of the owners of real property in the area described therein, a city may annex an area not contiguous to its primary corporate limits when the area meets the standards set out in subsection (b) of this section. The petition need not be signed by the owners of real property that is wholly exempt from property taxation under the Constitution and laws of North Carolina, nor by railroad companies, public utilities as defined in G.S. 62-3(23), or electric or telephone membership corporations.

(b) A noncontiguous area proposed for annexation must meet all of the following standards:

- (1) The nearest point on the proposed satellite corporate limits must be not more than three miles from the primary corporate limits of the annexing city;

- (2) No point on the proposed satellite corporate limits may be closer to the primary corporate limits of another city than to the primary corporate limits of the annexing city.
- (3) The area must be so situated that the annexing city will be able to provide the same services within the proposed satellite corporate limits that it provides within its primary corporate limits.
- (4) If the area proposed for annexation, or any portion thereof, is a subdivision as defined in G.S. 160A-376, all of the subdivision must be included.
- (5) The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits, may not exceed ten percent (10%) of the area within the primary corporate limits of the annexing city.

(c) The petition shall contain the names, addresses, and signatures of all owners of real property within the proposed satellite corporate limits (except owners not required to sign by subsection (a)), shall describe the area proposed for annexation by metes and bounds, and shall have attached thereto a map showing the area proposed for annexation with relation to the primary corporate limits of the annexing city. When there is any substantial question as to whether the area may be closer to another city than to the annexing city, the map shall also show the area proposed for annexation with relation to the primary corporate limits of the other city. The city council may prescribe the form of the petition.

"§ 160-453.27. Public hearing. – Upon receipt of a petition for annexation under this Part, the city council shall cause the city clerk to investigate the petition, and to certify the results of his investigation. If the clerk certifies that upon investigation the petition appears to be valid, the council shall fix a date for a public hearing on the annexation. Notice of the hearing shall be published once at least 10 days before the date of hearing.

At the hearing, any person residing in or owning property in the area proposed for annexation and any resident of the annexing city may appear and be heard on the questions of the sufficiency of the petition and the desirability of the annexation. If the council then finds and determines that (i) the area described in the petition meets all of the standards set out in G.S. 160-453.26(b), (ii) the petition bears the signatures of all of the owners of real property within the area proposed for annexation (except those not required to sign by G.S. 160-453.26(a)), (iii) the petition is otherwise valid, and (iv) the public health, safety and welfare of the inhabitants of the city and of the area proposed for annexation will be best served by the annexation, the council may adopt an ordinance annexing the area described in the petition. The ordinance may be made effective immediately or on any specified date within six months from the date of passage.

"§ 160-453.28. Annexed area subject to city taxes and debts. – From and after the effective date of the annexation ordinance, the annexed area and its citizens and property are subject to all debts, laws, ordinances and regulations of the annexing city, and are entitled to the same privileges and benefits as other parts of the city. The newly annexed area is subject to city taxes levied for the fiscal year following the date of

annexation. If the effective date of annexation falls between January 1 and June 30, the city shall, for purposes of levying taxes for the fiscal year beginning July 1 following the date of annexation, obtain from the county a record of property in the area being annexed which was listed for taxation as of January 1. If the effective date of annexation falls between June 1 and June 30, and the privilege licenses of the annexing city are due on June 1, then businesses in the annexed area are liable for privilege license taxes at the full year rate.

"§ 160-453.29. Extraterritorial powers. – Satellite corporate limits shall not be considered a part of the city's corporate limits for the purposes of extraterritorial land use regulation pursuant to G.S. 160A-360, or abatement of public health nuisances pursuant to G.S. 160A-193. However, a city's power to regulate land use pursuant to G.S. Chapter 160A, Article 19, or to abate public health nuisances pursuant to G.S. 160A-193, shall be the same within satellite corporate limits as within its primary corporate limits.

"§ 160-453.30. Special rates for water, sewer and other enterprises. – For the purposes of G.S. 160A-314, provision of public enterprise services within satellite corporate limits shall be considered provision of service for special classes of service distinct from the classes of service provided within the primary corporate limits of the city, and the city may fix and enforce schedules of rents, rates, fees, charges and penalties in excess of those fixed and enforced within the primary corporate limits. A city providing enterprise services within satellite corporate limits shall annually review the cost thereof, and shall take such steps as may be necessary to insure that the current operating costs of such services, excluding debt service on bonds issued to finance services within satellite corporate limits, does not exceed revenues realized therefrom.

"§ 160-453.31. Transition from satellite to primary corporate limits. – An area annexed pursuant to this Part ceases to constitute satellite corporate limits and becomes a part of the primary corporate limits of a city when, through annexation of intervening territory, the two boundaries touch."

Sec. 3. The following local acts, having served their purpose and being no longer necessary, are hereby repealed:

Article XIV of the Charter of the Town of Benson, as enacted in Chapter 623, Session Laws of 1971.

Chapter 715, Session Laws of 1969 (City of Fayetteville).

Chapter 989, Session Laws of 1967 (City of Raleigh).

Chapter 36, Session Laws of 1973 (City of Wilmington).

Chapter 112, Session Laws of 1973 (Town of Nashville).

Chapter 164, Session Laws of 1973 (Town of Selma).

Chapter 188, Session Laws of 1973 (Town of Kure Beach).

Chapter 276, Session Laws of 1973 (Town of Benson)

Chapter 375, Session Laws of 1973 (City of Rocky Mount).

Chapter 427, Session Laws of 1973 (City of Jacksonville).

Chapter 651, Session Laws of 1973 (Town of Carolina Beach).

Chapter 984, Session Laws of 1973 (Town of Manteo).

Repeal of the foregoing acts does not invalidate any action taken thereunder before the effective date of this act. Any annexations heretofore accomplished under authority of any of the foregoing acts shall be considered to have been made under authority of this act, and are hereby ratified and confirmed as fully as if they had been made hereunder. Any annexations heretofore begun under authority of any of the foregoing acts but not fully accomplished as of the effective date of this act may be completed pursuant to such act or acts, and shall be governed by the provisions of such act or acts, notwithstanding the repeal of such act or acts by this act.

Sec. 4. If a provision of this act or the application of a provision to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of this act that can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

Sec. 5. All laws and clauses of laws in conflict with the provisions of this act are repealed.

Sec. 6. This act is effective July 1, 1974.

In the General Assembly read three times and ratified, this the 5th day of April, 1974.