

NORTH CAROLINA GENERAL ASSEMBLY  
1981 SESSION

CHAPTER 438  
HOUSE BILL 647

AN ACT TO AMEND THE CHARTER OF THE CITY OF WILMINGTON TO  
AUTHORIZE  
ECONOMIC DEVELOPMENT PROJECTS.

The General Assembly of North Carolina enacts:

**Section 1.** Chapter 495 of the Session Laws of 1977, being the Charter of the City of Wilmington, is amended by adding a new Article numbered XXXI to read as follows:

"ARTICLE XXXI.

"Economic Development Projects.

"Sec. 31.1. Economic Development Projects. (a) Definition. In this Article economic development project means an economic capital development project within a certain defined area or areas of the city as established by the city council, comprised of one or more buildings or other improvements and including any public and/or private facilities. Said project may include programs or facilities for improving downtown redevelopment, 'pocket of poverty' or other federal or State assistance programs which the city council determines to be in need of economic capital development or revitalization and which qualify for capital assistance under applicable federal or State programs.

(b) Authorization.

- (1) In addition to any other authority granted by law, the City of Wilmington may accept grants, expend funds, make grants or loans, acquire property and participate in capital economic development projects which the city council determines will enhance the economic development and revitalization of the city in accordance with the authority granted herein. Such project may include both public and/or private buildings or facilities financed in whole or in part by federal or State grants (including but not limited to urban development action grants) and may include any capital expenditures which the city council finds necessary to comply with conditions in any federal or State grant agreements and which the city council finds will complement the project and improve the public tax base and general economy of the city. By way of illustration, but not limitation, such a project may include the construction or renovation of any one or combination of the following projects:

- a. Privately owned hotel.

- b. Privately owned office building.
- c. Housing.
- d. Parking facilities.
- e. Industrial buildings.
- f. Site improvements.

Such project may be partially financed with city funds received from federal or State sources and being granted or loaned to the private owner for said construction or renovation; in addition, other city funds from any sources may be used for acquisition, construction, leasing and/or operation of facilities by the city for the general public and for capital improvements to public facilities which will support and enhance the private facilities and the general economy of the city.

- (2) When the city council finds that it will promote the economic development or revitalization in the city, the city may acquire, construct, and operate or participate in the acquisition, construction, ownership and operation of an economic development project or of specific buildings or facilities within such a project and may comply with any State or federal government grant requirements in connection therewith. The city may enter into binding contracts with one or more private parties or governmental units with respect to acquiring, constructing, owning or operating such a project. Such a contract may, among other provisions, specify the responsibilities of the city and the developer or developers and operators or owners of the project, including the financing of the project. Such a contract may be entered into before the acquisition of any real property necessary to the project by the city or the developer or other parties.

(c) Property acquisition. An economic development project may be constructed on property acquired by the developer or developers, or on property directly acquired by the city, or on property acquired by the Redevelopment Commission or its successors while exercising the powers, duties and responsibilities pursuant to G.S. 160A-505.

(d) Property disposition. In connection with an economic development project, the city may convey interests in property owned by it, including air rights over public facilities, as follows:

- (1) If the property was acquired under the urban redevelopment law, the property interests may be conveyed in accordance with special or general law.
- (2) If the property was acquired by the city directly, the city may convey property interests by any procedure set forth in its city charter, special act or the general law or by private negotiation or sale.

(e) Construction of the project. A contract between the city and the developer or developers may provide that the developer or developers shall be responsible for the construction of the entire economic development project. If so, the contract shall include such provisions as the city council deems sufficient to assure that any public facilities included in the project meet the needs of the city and are constructed at a reasonable

price. Any funds loaned by the city, pursuant to this paragraph, to a private developer, and used by said developer in the construction of a project on private property shall not be deemed an expenditure of public funds.

(f) Operation. The city may contract for the operation of any public facility or facilities included in an economic development project by a person, partnership, firm or corporation, public or private. In addition, the city, upon consideration, may contract through lease or otherwise whereby it may operate privately constructed parking facilities to serve the general public. Such a contract shall include provisions sufficient to assure that any such facility or facilities are operated for the benefit of the citizens of the city."

**Sec. 2.** This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 22nd day of May, 1981.