

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 686

Short Title: Large City Services/Annexation.

(Public)

Sponsors: Senators Odom; and Blackmon.

Referred to: Local Government and Regional Affairs.

April 5, 1993

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT A LARGE CITY MUST PROVIDE WATER AND SEWER SERVICES WITHIN ONE YEAR OF THE EFFECTIVE DATE OF THE ANNEXATION, OR THE AREA IS REMOVED FROM THE CORPORATE LIMITS AND AD VALOREM TAXES REFUNDED, AND TO CLARIFY THE ANNEXATION OF UNDEVELOPED LAND BY A LARGE CITY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 160A-47(3) reads as rewritten:

"(3) A statement setting forth the plans of the municipality for extending to the area to be annexed each major municipal service performed within the municipality at the time of annexation. Specifically, such plans shall:

- a. Provide for extending police protection, fire protection, solid waste collection and street maintenance services to the area to be annexed on the date of annexation on substantially the same basis and in the same manner as such services are provided within the rest of the municipality prior to annexation. A contract with a rural fire department to provide fire protection shall be an acceptable method of providing fire protection. If a water distribution system is not available in the area to be annexed, the plans must call for reasonably effective fire protection services until such time as waterlines are made available in such area under existing municipal policies for the extension of waterlines. A contract with a private firm to

1 provide solid waste collection services shall be an acceptable
2 method of providing solid waste collection services.

- 3 b. ~~Provide~~ With respect to municipalities with a population of less
4 than 350,000 according to the last federal decennial census,
5 provide for extension of major trunk water mains and sewer
6 outfall lines into the area to be annexed so that when such lines
7 are constructed, property owners in the area to be annexed will
8 be able to secure public water and sewer service, according to
9 the policies in effect in such municipality for extending water
10 and sewer lines to individual lots or subdivisions. If requested
11 by the owner of an occupied dwelling unit or an operating
12 commercial or industrial property in writing on a form provided
13 by the municipality, which form acknowledges that such
14 extension or extensions will be made according to the current
15 financial policies of the municipality for making such
16 extensions, and if such form is received by the city clerk not
17 less than 30 days before adoption of the annexation ordinance,
18 provide for extension of water and sewer lines to the property or
19 to a point on a public street or road right-of-way adjacent to the
20 property according to the financial policies in effect in such
21 municipality for extending water and sewer lines. If any such
22 requests are timely made, the municipality shall at the time of
23 adoption of the annexation ordinance amend its report and plan
24 for services to reflect and accommodate such requests.

- 25 b1. With respect to municipalities with a population of 350,000 or
26 more according to the last federal decennial census, provide for
27 extension of major trunk water mains and sewer outfall lines
28 into the area to be annexed, and provide for extension of water
29 and sewer lines to all property in the area to be annexed, or to a
30 point on a public street or road right-of-way adjacent to the
31 property so that when such lines are constructed, property
32 owners in the area to be annexed will be able to secure public
33 water and sewer service, without paying any other fee except a
34 tap fee.

- 35 c. If extension of major trunk water mains, sewer outfall lines,
36 sewer lines and water lines is necessary, set forth a proposed
37 timetable for construction of such mains, outfalls and lines as
38 soon as possible following the effective date of annexation. In
39 any event, the plans shall call for construction to be completed
40 ~~within two~~ within:

- 41 1. Two years of the effective date of ~~annexation~~ annexation
42 with respect to municipalities with a population of less
43 than 350,000 according to the last federal decennial
44 census; or

1 2. One year of the effective date of the annexation with
2 respect to municipalities with a population of 350,000 or
3 more according to the last federal decennial census.

4 d. Set forth the method under which the municipality plans to
5 finance extension of services into the area to be annexed."

6 Sec. 2. G.S. 160A-49(e)(3) reads as rewritten:

7 "(3) A specific finding that on the effective date of annexation the
8 municipality will have funds appropriated in sufficient amount to
9 finance construction of any major trunk water mains and sewer outfalls
10 and such water and sewer lines as required in ~~G.S. 160A-47(3)(b)~~ G.S.
11 160A-47(3)b. or G.S. 160A-47(3)b1. found necessary in the report
12 required by G.S. 160A-47 to extend the basic water and/or sewer
13 system of the municipality into the area to be annexed, or that on the
14 effective date of annexation the municipality will have authority to
15 issue bonds in an amount sufficient to finance such construction. If
16 authority to issue such bonds must be secured from the electorate of
17 the municipality prior to the effective date of annexation, then the
18 effective date of annexation shall be no earlier than the day following
19 the statement of the successful result of the bond election."

20 Sec. 3. G.S. 160A-49(k) reads as rewritten:

21 "(k) ~~If~~ With respect to municipalities with a population of less than 350,000
22 according to the last federal decennial census, if a valid request for extension of a water
23 or sewer line has been made under G.S. 160A-47(3)b, and the extension is not complete
24 at the end of two years after the effective date of the annexation ordinance, the owner of
25 the property may petition the Local Government Commission for abatement of taxes to
26 be paid to the city which have not been levied as of the expiration date of the two-year
27 period, if such petition is filed not more than 60 days after the expiration of the two-year
28 period. If the Local Government Commission finds that the extension to the property
29 was not complete by the end of the two-year period, it shall enter an order directing the
30 city not to levy any further ad valorem taxes on the property until the fiscal year
31 commencing after completion of the extension. In addition, if the Local Government
32 Commission found that the extension to the property was not completed by the end of
33 the two-year period, and if it finds that for any fiscal year during the period beginning
34 with the first day of the fiscal year in which the annexation ordinance became effective
35 and ending the last day of the fiscal year in which the two-year period expired, the city
36 made an appropriation for construction, operation or maintenance of a water or sewer
37 system (other than payments the city made as a customer of the system) from the fund
38 or funds for which ad valorem taxes are levied, then the Local Government Commission
39 shall order the city to release or refund an amount of the petitioner's property taxes for
40 that year in question in proportion to the percentage of appropriations in the fund made
41 for water and sewer services. By way of illustration, if a net amount of one hundred
42 thousand dollars (\$100,000) was appropriated for water or sewer construction, operation
43 or maintenance from a fund which had total expenditures of ten million dollars

1 (\$10,000,000) and the petitioner's tax levy was one thousand dollars (\$1,000), the
2 amount of release or refund shall be ten dollars (\$10.00).

3 With respect to municipalities with a population of 350,000 or more according to the
4 last federal decennial census, if the municipality was required by G.S. 160A-47(3)b1. to
5 extend a water and sewer line to a property, and the extension is not complete at the end
6 of one year after the effective date of the annexation ordinance, the owner of the
7 property may, no later than 90 days after expiration of the one-year period, petition the
8 Local Government Commission for an order:

9 (1) Removing:

10 a. The property; and

11 b. Any adjacent right-of-way annexed by the same proceeding, to
12 the center line of the right-of-way

13 from the corporate limits of the municipality; and

14 (2) Directing the municipality to release or refund the petitioner's property
15 taxes for that municipality levied since the annexation became
16 effective.

17 The order shall direct the municipality to amend its official map and provide for
18 filing the order with the Secretary of State, the Register of Deeds of the county where
19 the property is located, and with the board of elections conducting elections for the
20 municipality."

21 Sec. 4. G.S. 160A-48(c) reads as rewritten:

22 "(c) Part or all of the area to be annexed must be developed for urban purposes.
23 An area developed for urban purposes is defined as any area which meets any one of the
24 following standards:

25 (1) Has a total resident population equal to at least two persons for each
26 acre of land included within its boundaries; or

27 (2) Has a total resident population equal to at least one person for each
28 acre of land included within its boundaries, and is subdivided into lots
29 and tracts such that at least sixty percent (60%) of the total acreage
30 consists of lots and tracts five acres or less in size and such that at least
31 sixty-five percent (65%) of the total number of lots and tracts are one
32 acre or less in size; or

33 (3) Is so developed that at least sixty percent (60%) of the total number of
34 lots and tracts in the area at the time of annexation are used for
35 residential, commercial, industrial, institutional or governmental
36 purposes, and is subdivided into lots and tracts such that at least sixty
37 percent (60%) of the total acreage, not counting the acreage used at the
38 time of annexation for commercial, industrial, governmental or
39 institutional purposes, consists of lots and tracts five acres or less in
40 size.

41 With respect to municipalities with a population of 350,000 or more according to the
42 last federal decennial census, in determining the amount of acreage included within the
43 boundaries of the area to be annexed under this subsection, acreage to be annexed which

1 consists of streets between developed lots or within neighborhoods may not be excluded
2 from the calculations under some other provision of this Part."

3 Sec. 5. G.S. 160A-48(d) reads as rewritten:

4 "(d) In addition to areas developed for urban purposes, a governing board may
5 include in the area to be annexed any area which does not meet the requirements of
6 subsection (c) if such area either:

7 (1) Lies between the municipal boundary and an area developed for urban
8 purposes so that the area developed for urban purposes is either not
9 adjacent to the municipal boundary or cannot be served by the
10 municipality without extending services and/or water and/or sewer
11 lines through such sparsely developed area; or

12 (2) Is adjacent, on at least sixty percent (60%) of its external boundary, to
13 any combination of the municipal boundary and the boundary of an
14 area or areas developed for urban purposes as defined in subsection
15 (c).

16 With respect to municipalities with a population of 350,000 or more according to the
17 last federal decennial census, the total amount of acreage which may be annexed under
18 this subdivision shall not exceed ten percent (10%) of the total area to be annexed. The
19 purpose of this subsection is to permit municipal governing boards to extend corporate
20 limits to include all nearby areas developed for urban purposes and where necessary to
21 include areas which at the time of annexation are not yet developed for urban purposes
22 but which constitute necessary land connections between the municipality and areas
23 developed for urban purposes or between two or more areas developed for urban
24 purposes."

25 Sec. 6. Sections 1 through 3 of this act apply with respect to annexation
26 ordinances adopted on or after the date of ratification. Sections 4 and 5 of this act apply
27 to any annexation ordinances which become effective on or after the date of ratification
28 of this act, including ordinances subject to pending litigation.