

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

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HOUSE DRH70124-LBx-102A (3/10)

Short Title: Canal Dredging Tax Districts.

(Public)

Sponsors: Representative Stiller.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ALLOW MUNICIPALITIES TO CREATE SPECIAL TAX DISTRICTS FOR CANAL DREDGING FOR NAVIGATION, SO AS TO ALLOW CONTINUED ACCESS TO THE INTRACOASTAL WATERWAY AND THE ATLANTIC OCEAN, AND TO ALLOW CREATION OF A CAPITAL RESERVE FUND FOR SUCH DISTRICT NOTWITHSTANDING THAT THE ITEM IS MAINTENANCE, SO AS TO ALLOW ACCUMULATION OF FUNDS FOR THAT PURPOSE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 160A-536 reads as rewritten:

"(a) Purposes. – The city council of any city may define any number of service districts in order to finance, provide, or maintain for the districts one or more of the following services, facilities, or functions in addition to or to a greater extent than those financed, provided or maintained for the entire city:

(1) Beach erosion control and flood and hurricane protection works.

(1a) Any service, facility, or function which the municipality may by law provide in the city, and including but not limited to placement of utility wiring underground, placement of period street lighting, placement of specially designed street signs and street furniture, landscaping, specialized street and sidewalk paving, and other appropriate improvements to the rights-of-way that generally preserve the character of an historic district; provided that this subdivision only applies to a service district which, at the time of its creation, had the same boundaries as an historic district created under Part 3A of Article 19 of this Chapter.

(2) Downtown revitalization projects.

(2a) Urban area revitalization projects.

- 1 (3) Drainage projects.
2 (3a) Sewage collection and disposal systems of all types, including septic
3 tank systems or other on-site collection or disposal facilities or
4 systems.
5 (3b) Lighting at interstate highway interchange ramps.
6 (4) Off-street parking facilities.
7 (5) Watershed improvement projects, including but not limited to
8 watershed improvement projects as defined in General Statutes
9 Chapter 139; drainage projects, including but not limited to the
10 drainage projects provided for by General Statutes Chapter 156; and
11 water resources development projects, including but not limited to the
12 federal water resources development projects provided for by General
13 Statutes Chapter 143, Article 21.
14 (6) Canal dredging to aid in navigational access from private property to
15 public waters."

16 **SECTION 2.** Article 23 of Chapter 160A of the General Statutes is amended
17 by adding a new section to read:

18 **"§ 160A-545. Capital reserve funds.**

19 A city may establish a capital reserve fund under Part 2 of Article 3 of Chapter 159
20 of the General Statutes for a district established under G.S. 160A-536(a)(6),
21 notwithstanding that it could not issue bonds for such a purpose as would otherwise be
22 required by G.S. 159-18."

23 **SECTION 3.** G.S. 160A-540 reads as rewritten:

24 **"§ 160A-540. Required provision or maintenance of services.**

25 (a) New District. – When a city defines a new service district, it shall provide,
26 maintain, or let contracts for the services for which the residents of the district are being
27 taxed within a reasonable time, not to exceed one year, after the effective date of the
28 definition of the ~~district.~~ district, except that if at the same meeting it adopts a resolution
29 creating a district under G.S. 160A-536(a)(6) it establishes a capital reserve fund to
30 build up funds for the purpose of providing the service, it may delay providing the
31 service until sufficient funds have accumulated, but in no case to exceed five years.
32 Notice of the intent to establish such a fund and defer providing the service must be
33 included in the public hearing notice under G.S. 160A-537.

34 (b) Extended District. – When a city annexes territory for a service district, it
35 shall provide, maintain, or let contracts for the services provided or maintained
36 throughout the district to the residents of the area annexed to the district within a
37 reasonable time, not to exceed one year, after the effective date of the annexation.

38 (c) Consolidated District. – When a city consolidates two or more service
39 districts, one of which has had provided or maintained a lower level of services, it shall
40 increase the services within that district (or let contracts therefor) to a level comparable
41 to those provided or maintained elsewhere in the consolidated district within a
42 reasonable time, not to exceed one year, after the effective date of the consolidation."

43 **SECTION 4.** This act is effective when it becomes law.