

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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SENATE BILL 528
Finance Committee Substitute Adopted 8/4/05
House Committee Substitute Favorable 8/23/05

Short Title: Tax Increment Financing Changes.

(Public)

Sponsors:

Referred to:

March 15, 2005

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW A MUNICIPALITY TO USE PROJECT DEVELOPMENT
3 FINANCING FOR TOURISM-RELATED DEVELOPMENT PROJECTS
4 LOCATED IN AN ENTERPRISE TIER ONE AREA.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 158-7.3(a)(1) reads as rewritten:

7 "(a) Definitions. – The following definitions apply in this section:

8 (1) Development project. – A capital project that includes capital
9 expenditures by both private persons and one or more units of local
10 government and that increases net employment opportunities for
11 residents of the development district or within a two-mile radius of the
12 project, whichever is larger, and increases the local government tax
13 base.

14 If the district in which such a project will occur is outside a city's
15 central business district (as that district is defined by resolution of the
16 city council, which definition is binding and conclusive), then, of the
17 private development forecast for a development project by the
18 development financing plan for the district in which the project will
19 occur, a maximum of twenty percent (20%) of the plan's estimated
20 square footage of floor space may be proposed for use in retail sales,
21 hotels, banking, and financial services offered directly to consumers,
22 and other commercial uses other than office space. The twenty percent
23 (20%) limitation in the preceding sentence does not apply to
24 development financing districts located in an enterprise tier one area,
25 as defined in G.S. 105-129.3, and created primarily for tourism-related
26 economic development, such as developments featuring facilities for
27 exhibitions, athletic and cultural events, show and public gatherings,

1 racine facilities, parks and recreation facilities, art galleries, museums,
2 and art centers."

3 **SECTION 2.** This act is effective when it becomes law.