

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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SENATE BILL 297
Second Edition Engrossed 5/15/13
House Committee Substitute Favorable 6/27/13

Short Title: Winston-Salem/Local Development.

(Local)

Sponsors:

Referred to:

March 14, 2013

A BILL TO BE ENTITLED

AN ACT PROVIDING THAT THE CITY OF WINSTON-SALEM MAY UNDERTAKE CERTAIN ECONOMIC DEVELOPMENT ACTIVITIES WITHOUT COMPLYING WITH THE STATE'S CONTRACT LAWS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 158-7.1 reads as rewritten:

"§ 158-7.1. Local development.

(a) Each county and city in this State is authorized to make appropriations for the purposes of aiding and encouraging the location of manufacturing enterprises, making industrial surveys and locating industrial and commercial plants in or near such city or in the county; encouraging the building of railroads or other purposes which, in the discretion of the governing body of the city or of the county commissioners of the county, will increase the population, taxable property, agricultural industries and business prospects of any city or county. These appropriations may be funded by the levy of property taxes pursuant to G.S. 153A-149 and 160A-209 and by the allocation of other revenues whose use is not otherwise restricted by law.

(b) A county or city may undertake the following specific economic development activities. (This listing is not intended to limit by implication or otherwise the grant of authority set out in subsection (a) of this section). The activities listed in this subsection may be funded by the levy of property taxes pursuant to G.S. 153A-149 and G.S. 160A-209 and by the allocation of other revenues whose use is not otherwise restricted by law.

(1) A county or city may acquire and develop land for an industrial park, to be used for manufacturing, assembly, fabrication, processing, warehousing, research and development, office use, or similar industrial or commercial purposes. A county may acquire land anywhere in the county, including inside of cities, for an industrial park, while a city may acquire land anywhere in the county or counties in which it is located. A county or city may develop the land by installing utilities, drainage facilities, street and transportation facilities, street lighting, and similar facilities; may demolish or rehabilitate existing structures; and may prepare the site for industrial or commercial uses. A county or city may convey property located in an industrial park pursuant to subsection (d) of this section.

(2) A county or city may acquire, assemble, and hold for resale property that is suitable for industrial or commercial use. A county may acquire such property anywhere in the county, including inside of cities, while a city may



1 acquire such property inside the city or, if the property will be used by a
2 business that will provide jobs to city residents, anywhere in the county or
3 counties in which it is located. A county or city may convey property
4 acquired or assembled under this subdivision pursuant to subsection (d) of
5 this section.

6 (3) A county or city may acquire options for the acquisition of property that is
7 suitable for industrial or commercial use. The county or city may assign such
8 an option, following such procedures, for such consideration, and subject to
9 such terms and conditions as the county or city deems desirable.

10 (4) A county or city may acquire, construct, convey, or lease a building suitable
11 for industrial or commercial use.

12 (5) A county or city may construct, extend or own utility facilities or may
13 provide for or assist in the extension of utility services to be furnished to an
14 industrial facility, whether the utility is publicly or privately owned.

15 (6) A county or city may extend or may provide for or assist in the extension of
16 water and sewer lines to industrial properties or facilities, whether the
17 industrial property or facility is publicly or privately owned.

18 (7) A county or city may engage in site preparation for industrial properties or
19 facilities, whether the industrial property or facility is publicly or privately
20 owned.

21 (c) Any appropriation or expenditure pursuant to subsection (b) of this section must be
22 approved by the county or city governing body after a public hearing. The county or city shall
23 publish notice of the public hearing at least 10 days before the hearing is held. If the
24 appropriation or expenditure is for the acquisition of an interest in real property, the notice shall
25 describe the interest to be acquired, the proposed acquisition cost of such interest, the
26 governing body's intention to approve the acquisition, the source of funding for the acquisition
27 and such other information needed to reasonably describe the acquisition. If the appropriation
28 or expenditure is for the improvement of privately owned property by site preparation or by the
29 extension of water and sewer lines to the property, the notice shall describe the improvements
30 to be made, the proposed cost of making the improvements, the source of funding for the
31 improvements, the public benefit to be derived from making the improvements, and any other
32 information needed to reasonably describe the improvements and their purpose.

33 (c1) A city may undertake any of the economic development activities authorized in
34 subsection (b) of this section without complying with the provisions of Article 8 of Chapter 143
35 of the General Statutes if the activity takes place in an economically distressed area and the
36 funds provided by the city for the activity do not exceed fifty percent (50%) of the total cost of
37 the activity. For such activities, the city shall establish minority and women business
38 participation goals and the recipient of city funds shall make a good-faith effort, as determined
39 by the city, to comply with such goals. For purposes of this section, federal funds available for
40 loan to private developers in connection with an economic development activity shall not be
41 considered city funds. For purposes of this section, the term "economically distressed area"
42 means an area in which, according to the most recent available data from the U.S. Bureau of
43 Census, forty percent (40%) or more of the residents have an annual income that is at or below
44 the poverty threshold.

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46 **SECTION 2.** This act applies to the City of Winston-Salem only.

47 **SECTION 3.** This act is effective when it becomes law and expires on July 1,

48 2018.