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Short Title: Cumberland Transportation Authority.

(Public)

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A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE A REGIONAL TRANSPORTATION AUTHORITY FOR CUMBERLAND COUNTY, THE CITY OF FAYETTEVILLE, THE TOWN OF HOPE MILLS, THE TOWN OF STEDMAN, AND THE TOWN OF SPRING LAKE, TO AUTHORIZE THE CREATION OF COUNTY ECONOMIC DEVELOPMENT AUTHORITIES, AND TO INCREASE THE ANNUAL PER DIEM FOR WATER AND SEWER AUTHORITY MEMBERS.

The General Assembly of North Carolina enacts:

SECTION 1. Article 26 of Chapter 160A of the General Statutes is amended by adding a new section to read:

"§ 160A-626. Single-county Authority.

(a) Intent. – Notwithstanding the provisions of this Article, a single-county Authority may be created as provided in this section. The Authority is an Authority under this Article and under Article 27 of this Chapter for all purposes except to the extent the provisions of this section conflict with the remaining sections of this Article, with Article 27 of this Chapter, or with Article 50 or 51 of Chapter 105 of the General Statutes. The territorial jurisdiction of an Authority created under this section is the area of the county that creates the Authority.

(b) Eligibility. – A county is eligible to create an Authority under this section only if it meets all of the following criteria at the time it creates the Authority:

(1) Has a population of at least 275,000 according to the most recent decennial federal census.

(2) Has at least eight incorporated municipalities.

(3) Has one or more federal military enclaves.

(4) Is a Mass Transportation Act recipient.

(c) Procedure. – The board of commissioners of an eligible county may create an Authority under this section by adopting a resolution in accordance with the procedures

1 of G.S. 160A-603. A certified copy of the resolution creating the Authority must be
2 filed with the Secretary of State in accordance with G.S. 160A-603.

3 (d) Board. – An Authority created under this section is governed by a board of
4 trustees composed of nine voting members, to be appointed as follows:

5 (1) Two by the Fayetteville City Council.

6 (2) Two by the Cumberland County Board of Commissioners.

7 (3) One by the Spring Lake Board of Aldermen.

8 (4) One by the Hope Mills Board of Commissioners;

9 (5) One by the Stedman Board of Commissioners.

10 (6) One at-large representative by Fort Bragg, North Carolina.

11 (7) One ex officio member by the North Carolina Secretary of
12 Transportation.

13 (e) Qualifications. – The at-large member and the ex officio member must reside
14 within the jurisdiction of the Authority. The remaining members must reside within the
15 area of the unit of government making the appointment.

16 (f) Quorum. – A majority of the members of the board constitutes a quorum for
17 transacting business.

18 (g) Taxes. – An Authority created under this section may not levy the vehicle
19 rental tax or the registration tax under Subchapter IX of Chapter 105 of the General
20 Statutes unless the majority of those voting in a referendum held pursuant to this section
21 approves the tax to be levied. The board of trustees of an Authority created under this
22 section may direct the county board of elections to conduct an advisory referendum on
23 the question of whether to levy a vehicle rental tax under Article 50 of Chapter 105 of
24 the General Statutes, a registration tax under Article 51 of Chapter 105 of the General
25 Statutes, or both. The election shall be held on a date jointly agreed upon by the two
26 boards and shall be held in accordance with the procedures of G.S. 163-287.

27 The question to be presented on a ballot for a special election concerning the levy of
28 a vehicle rental tax shall be:

29 "[] FOR [] AGAINST

30 Levy of a tax of up to five percent (5%) of the gross receipts from short-term rentals of
31 vehicles and motorcycles in the county, in addition to the current State and local taxes
32 on short-term rentals, to be used for funding public transportation systems."

33 The question to be presented on a ballot for a special election concerning the levy of
34 a registration tax shall be:

35 "[] FOR [] AGAINST

36 Levy of an annual license tax of up to five dollars (\$5.00) on motor vehicles in the
37 county, in addition to the current State and local vehicle license taxes, to be used for
38 funding public transportation systems." "

39 **SECTION 2.** The powers, duties, functions, and authority of a Regional
40 Transportation Authority created under this act shall be generally consistent with the
41 powers, duties, functions, and authority of a Regional Transportation Authority created
42 under the Regional Public Transportation Authority Act, Article 26 of Chapter 160A of
43 the General Statutes and the Regional Transportation Authority Act, Article 27 of

1 Chapter 160A of the General Statutes except as may be amended herein, and any
2 decision on funding of the activities of the Regional Transportation Authority created
3 herein shall require a majority vote of all the voting members of the Regional
4 Transportation Authority.

5 **SECTION 3.** G.S. 162A-5(c) reads as rewritten:

6 "(c) Each member of the authority before entering upon his duties shall take and
7 subscribe an oath or affirmation to support the Constitution of the United States and of
8 this State and to discharge faithfully the duties of his office, and a record of each such
9 oath shall be filed with the secretary of the authority.

10 The authority shall select one of its members as chairman and another as
11 vice-chairman and shall also select a secretary and a treasurer who may but need not be
12 members of the authority. The offices of secretary and treasurer may be combined. The
13 terms of office of the chairman, vice-chairman, secretary and treasurer shall be as
14 provided in the bylaws of the authority.

15 A majority of the members of the authority shall constitute a quorum and the
16 affirmative vote of a majority of all of the members of the authority shall be necessary
17 for any action taken by the authority. No vacancy in the membership of the authority
18 shall impair the right of a quorum to exercise all the rights and perform all of the duties
19 of the authority. The members of the authority may be paid a per diem compensation set
20 by the authority which per diem may not exceed the total amount of ~~two thousand~~
21 ~~dollars (\$2,000)~~ four thousand dollars (\$4,000) annually, and shall be reimbursed for the
22 amount of actual expenses incurred by them in the performance of their duties."

23 **SECTION 4.** Chapter 158 of the General Statutes is amended by adding a
24 new Article to read:

25 "Article 5.

26 "County Economic Development Authorities Act.

27 **"§ 158-50. Findings and purpose.**

28 (a) Findings. – The General Assembly finds that:

29 (1) There exists in parts of the State a critical condition of unemployment
30 and a scarcity of employment opportunities.

31 (2) The economic insecurity that results from this unemployment and
32 scarcity of employment opportunities constitutes a serious menace to
33 the safety and general welfare of the entire State.

34 (3) This unemployment and scarcity of employment opportunities has
35 caused many workers and their families, including young adults upon
36 whom future economic prosperity is dependent, to migrate elsewhere
37 to find employment and establish homes.

38 (4) This emigration has resulted in a reduced rate of growth in the tax base
39 of the counties and other local governments of the State, which impairs
40 the financial ability of these counties and other local governments to
41 support education and other local government services.

42 (5) This unemployment results in obligations to grant public assistance
43 and to pay unemployment compensation.

1 (6) These conditions can best be remedied by the attraction, stimulation,
2 expansion, and rehabilitation of industrial and manufacturing facilities
3 for industry in the State and other similar economic development
4 efforts.

5 (b) Purpose. – The purpose of a county economic development authority created
6 under this Article is to provide for the attraction, stimulation, expansion, and
7 rehabilitation of industrial and manufacturing facilities for industry in the State and to
8 carry out other similar economic development efforts.

9 "**§ 158-51. Definitions.**

10 The following definitions apply in this Article:

11 (1) Authority. – A county economic development authority created under
12 this Article.

13 (2) Eligible county. – A county that meets both of the following
14 conditions as of the date it adopts a resolution to create an economic
15 development authority under this Article:

16 a. It has a population of less than 70,000 according to the most
17 recent federal decennial census.

18 b. It is an enterprise tier one area as defined in G.S. 105-129.3.

19 "**§ 158-52. Creation of economic development authority.**

20 (a) Resolution to Create Authority. – An eligible county may create an economic
21 development authority by adopting a resolution finding that it is in the interest of the
22 safety and welfare of the county to create an economic development authority and
23 appointing the members of the authority in accordance with this Article. The resolution
24 must include articles of incorporation for the authority which set forth the following:

25 (1) The name of the authority.

26 (2) A statement that the authority is organized under this Article.

27 (3) The names and addresses of the first members of the authority
28 appointed by the county.

29 (b) Public Hearing. – The resolution may be adopted only after a public hearing
30 on the question, notice of which hearing has been given by publication at least once not
31 less than 10 days before the date set for the hearing, in a newspaper having a general
32 circulation in the county. The notice must contain a brief statement of the substance of
33 the proposed resolution, specify a public location where members of the public may
34 review or obtain a copy of the proposed articles of incorporation of the authority, and
35 state the time and place of the public hearing to be held on the resolution. No other
36 publication or notice of the resolution is required.

37 (c) Incorporation of Authority. – A county that adopts a resolution as provided in
38 this section must file a certified copy of the resolution with the Secretary of State,
39 together with proof of publication of notice of the hearing on the resolution. The
40 resolution must contain the county clerk's attestation that it was adopted by the board of
41 commissioners. If the Secretary of State finds that the resolution, including the articles
42 of incorporation, conforms to the provisions of this Article and that notice of the hearing
43 was properly published, the Secretary of State must file the resolution and proof of

1 publication and must issue a certificate of incorporation for the authority under the seal
2 of the State. The Secretary of State must record the certificate of incorporation in an
3 appropriate book of record in the Secretary of State's office.

4 (d) Effect of Incorporation. – The issuance of the certificate of incorporation by
5 the Secretary of State constitutes the authority a public body and body politic and
6 corporate of the State. The authority is a public authority subject to the provisions of
7 Chapter 159 of the General Statutes. The certificate of incorporation is conclusive
8 evidence that the authority has been duly created and established under this Article.

9 (e) Amendment; Termination. – A county that has created an economic
10 development authority under this Article may adopt a resolution to amend the
11 authority's articles of incorporation. The requirements of this section for creating an
12 authority apply equally to amending the authority's articles of incorporation.

13 A county that creates an economic development authority under this Article may
14 terminate the authority by resolution at any time that all obligations incurred by the
15 authority have been fully satisfied. Upon termination, any assets of the authority
16 become the property of the county.

17 **"§ 158-53. Members; organization; quorum.**

18 (a) Members. – An authority organized under this Article consists of the number
19 of members designated by the county in the resolution creating the authority. A
20 proportionate number of initial members of the authority must be appointed to serve
21 terms of four, five, and six years respectively. Successors serve six-year terms, with no
22 limit on reappointment. A person appointed to fill a vacancy serves for the remainder of
23 the unexpired term. The board of county commissioners may remove a member of the
24 authority for cause.

25 (b) Organization. – The authority must select a chair from among its members
26 who shall serve a three-year term. The authority meets at the call of the chair and must
27 adopt rules of procedure to govern its meetings. A majority of the members of the
28 authority constitutes a quorum, and the authority may act by majority vote of members
29 present and voting. The board of county commissioners must determine the
30 compensation, if any, to be paid to members of the authority.

31 (c) Dual Office Holding. – Service on the authority may be in addition to any
32 other office a person is entitled to hold.

33 **"§ 158-54. Powers.**

34 (a) The general powers of an authority created under this Article include the
35 following:

- 36 (1) The powers of a corporate body, including the power to sue and be
37 sued and to adopt and use a common seal.
- 38 (2) To adopt bylaws and resolutions in accordance with this Article for its
39 organization and internal management.
- 40 (3) To employ persons as necessary and to fix their compensation within
41 the limit of available funds.

- 1 (4) With the approval of the county manager, to use officers, employees,
2 agents, and facilities of the county for purposes and upon terms agreed
3 upon with the county.
- 4 (5) To acquire by purchase, lease, gift, lease with option to purchase,
5 installment sale, or otherwise, but not by eminent domain, or to obtain
6 options for the acquisition of, any property, real or personal, improved
7 or unimproved, and interests in land less than the fee interest.
- 8 (6) To sell, lease, exchange, transfer by lease with option to purchase or
9 installment sale, or otherwise dispose of, or to grant options for any of
10 these purposes with respect to, any real or personal property or interest
11 in real or personal property.
- 12 (7) To make contracts, deeds, leases with or without option to purchase,
13 conveyances, and other instruments, including contracts with the
14 United States, the State of North Carolina, and units of local
15 government within or outside the State.
- 16 (8) To borrow money on its bonds, notes, and other obligations, and to
17 secure all of these obligations by any combination of the following:
18 a. Mortgages on or security interests in any real or personal
19 property of the authority.
20 b. A pledge of any revenues or receivables of the authority.
- 21 (9) To apply for, accept, and administer loans, grants, and appropriations
22 of money from any federal agency, from the State or its political
23 subdivisions, or from any other public or private sources available, to
24 expend the money in accordance with the requirements imposed by the
25 lender or donor, and to give any evidences of indebtedness that are
26 required. No indebtedness of any kind incurred or created by the
27 authority constitutes an indebtedness of the State or its political
28 subdivisions, and no indebtedness of the authority involves or is
29 secured by the faith, credit, or taxing power of the State or its political
30 subdivisions.
- 31 (10) To adopt, alter, or repeal its own bylaws or rules implementing the
32 provisions of this Article.
- 33 (11) To execute financing agreements, security documents, and other
34 instruments appropriate in carrying out its purposes.
- 35 (12) To fix, charge, collect, pledge, or assign revenues of the authority.
- 36 (13) To employ consulting engineers, architects, attorneys, real estate
37 counselors, appraisers, and other consultants and employees as may be
38 required in the judgment of the authority and to fix and pay their
39 compensation from funds available to the authority, and, when
40 approved by the Local Government Commission under G.S.
41 159-123(e) and (f) as if the authority were an issuing unit, to select and
42 retain financial consultants, underwriters, and bond attorneys in
43 connection with the issuance of any indebtedness and to pay for their

- 1 services from funds available to the authority or out of the proceeds of
2 any borrowing for which their services were performed.
- 3 (14) To procure and maintain adequate insurance or otherwise provide for
4 adequate protection to indemnify the authority and its officers,
5 directors, agents, employees, adjoining property owners, or the general
6 public against loss or liability resulting from any act or omission by or
7 on behalf of the authority.
- 8 (15) To purchase or finance real or personal property in the manner
9 provided for cities and counties under G.S. 160A-20.
- 10 (16) To issue revenue bonds under the Local Government Revenue Bond
11 Act, Article 5 of Chapter 159 of the General Statutes, or the bond and
12 revenue anticipation provisions of Article 9 of Chapter 159 of the
13 General Statutes, to carry out its purposes.
- 14 (17) To issue obligations to finance the purchase or acquisition of land or
15 options on land, or the construction of buildings or facilities. An
16 obligation may be secured by the land purchased or acquired, or by the
17 buildings or facilities constructed, may be unsecured, or may be made
18 payable from revenues, the proceeds of notes, bonds, or the sale of any
19 lands, the proceeds of any bonds of the State or moneys appropriated
20 by the State, or any other available moneys of the authority.
- 21 (18) To surrender to the county any property no longer required by the
22 authority.
- 23 (b) The economic development powers of an authority created under this Article
24 include the following:
- 25 (1) To acquire, construct, improve, maintain, repair, operate, or administer
26 any component part of a public infrastructure system or facility within
27 the county, directly or by contract with a third party.
- 28 (2) Except as otherwise provided in this Article, to exercise the powers
29 granted to a local government for development by G.S. 158-7.1, except
30 the power to levy a property tax.
- 31 (3) To make grants and loans to support economic development projects
32 authorized by this Chapter within the county.
- 33 (4) To exercise the powers of a regional planning commission as provided
34 in G.S. 153A-395 and the powers of a regional economic development
35 commission as provided in Article 2 of this Chapter, but the authority
36 does not have the authority to establish land-use zoning in the county.
- 37 (5) To do all other things necessary or appropriate to carry out its purposes
38 as provided in this Article.

39 **"§ 158-55. Tax exemption.**

40 Property owned by an authority created under this Article is exempt from taxation in
41 accordance with Section 2 of Article V of the North Carolina Constitution."

42 **SECTION 5.** G.S. 160A-20(h) is amended by adding a new subdivision to
43 read:

1 "(13) A county economic development authority created under Article 5 of
2 Chapter 158 of the General Statutes."
3 **SECTION 6.** This act is effective when it becomes law.