

NORTH CAROLINA GENERAL ASSEMBLY
1961 SESSION

CHAPTER 837
HOUSE BILL 738

1 AN ACT TO AMEND THE URBAN REDEVELOPMENT LAW TO AUTHORIZE
2 REDEVELOPMENT OF NON-RESIDENTIAL AREAS; TO PROVIDE FOR
3 CONSERVATION, REHABILITATION AND RECONDITIONING AREAS; AND TO
4 CLARIFY AND SIMPLIFY PROCEDURAL REQUIREMENTS.
5

6 The General Assembly of North Carolina do enact:
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8 **Section 1.** Article 37 of Chapter 160 of the General Statutes of North Carolina, as
9 amended, known and cited as the "Urban Redevelopment Law," is amended by adding a new
10 Section immediately following G.S. 160-455, to be designated as G.S. 160-455.1, and to read
11 as follows:

12 "**G.S. 160-455.1. Additional findings.** It is further determined and declared as a matter of
13 legislative finding:

14 "(a) That the cities of North Carolina constitute important assets for the State and its
15 citizens; that the preservation of the cities and of urban life against physical, social, and other
16 hazards is vital to the safety, health, and welfare of the citizens of the State, and sound urban
17 development in the future is essential to the continued economic development of North
18 Carolina, and that the creation, existence, and growth of substandard areas present substantial
19 hazards to the cities of the State, to urban life, and to sound future urban development.

20 "(b) That blight exists in commercial and industrial areas as well as in residential areas,
21 in the form of dilapidated, deteriorated, poorly ventilated, obsolete, over-crowded, unsanitary,
22 or unsafe buildings, inadequate and unsafe streets, inadequate lots, and other conditions
23 detrimental to the sound growth of the community; that the presence of such conditions tends to
24 depress the value of neighboring properties, to impair the tax base of the community, and to
25 inhibit private efforts to rehabilitate or improve other structures in the area; and that the
26 acquisition, preparation, sale, sound replanning and redevelopment of such areas in accordance
27 with sound and approved plans will promote the public health, safety, convenience and welfare.

28 "(c) That not only is it in the interest of the public health, safety, convenience and
29 welfare to eliminate existing substandard areas of all types, but it is also in the public interest
30 and less costly to the community to prevent the creation of new blighted areas or the expansion
31 of existing blighted areas; that vigorous enforcement of municipal and State building standards,
32 sound planning of new community facilities, public acquisition of dilapidated, obsolescent
33 buildings, and other municipal action can aid in preventing the creation of new blighted areas
34 or the expansion of existing blighted areas; and that rehabilitation, conservation, and
35 reconditioning of areas in accordance with sound and approved plans, where, in the absence of
36 such action, there is a clear and present danger that the area will become blighted, will protect
37 and promote the public health, safety, convenience and welfare.

38 "Therefore it is hereby declared to be the policy of the State of North Carolina to protect
39 and promote the health, safety, and welfare of the inhabitants of its urban areas by authorizing
40 redevelopment commissions to undertake nonresidential redevelopment in accord with sound
41 and approved plans and to undertake the rehabilitation, conservation, and reconditioning of
42 areas where, in the absence of such action, there is a clear and present danger that the area will
43 become blighted."

1 **Sec. 2.** Subsection (m) of Section 160-456 is rewritten to read as follows:

2 "(m) 'Redevelopment area'. Any area which a planning commission may find to be

- 3 (1) a blighted area because of the conditions enumerated in subsection (q) of this
4 Section,
5 (2) a nonresidential redevelopment area because of conditions enumerated in
6 subsection (q)(1) of this Section;
7 (3) a rehabilitation, conservation, and reconditioning area within the meaning of
8 subsection (q)(2) of this Section;
9 (4) any combination thereof, so as to require redevelopment under the
10 provisions of this Article."

11 **Sec. 3.** Subsection (q) of G.S. 160-456, as the same appears in the 1959 Supplement
12 to the General Statutes, is amended by adding new subsections at the end thereof to be
13 designated as subsections (1) and (2) and to read as follows:

14 "(1) 'Nonresidential redevelopment area' shall mean an area in which there is a
15 predominance of buildings or improvements, whose use is predominantly nonresidential, and
16 which, by reason of

- 17 (a) dilapidation, deterioration, age or obsolescence of buildings and other
18 structures,
19 (b) inadequate provision for ventilation, light, air, sanitation or open spaces,
20 (c) defective or inadequate street layout,
21 (d) faulty lot layout in relation to size, adequacy, accessibility, or usefulness,
22 (e) tax or special assessment delinquency exceeding the fair value of the
23 property,
24 (f) unsanitary or unsafe conditions,
25 (g) the existence of conditions which endanger life or property by fire and other
26 causes, or
27 (h) any combination of such factors

- 28 (1) substantially impairs the sound growth of the community,
29 (2) has seriously adverse effects on surrounding development, and
30 (3) is detrimental to the public health, safety, morals or welfare;
31 provided, no such area shall be considered a nonresidential
32 redevelopment area nor subject to the power of eminent domain,
33 within the meaning of this Article, unless it is determined by the
34 planning commission that at least one half of the number of buildings
35 within the area are of the character described in this subsection and
36 substantially contribute to the conditions making such area a
37 nonresidential redevelopment area; provided that if the power of
38 eminent domain shall be exercised under the provisions of this
39 Article, the respondent or respondents shall be entitled to be
40 represented by counsel of their own selection and their reasonable
41 counsel fees fixed by the court, taxed as a part of the costs and paid
42 by the petitioners.

43 "(2) 'Rehabilitation, conservation, and reconditioning area' shall mean any area which
44 the planning commission shall find, by reason of factors listed in subsection (q) or subsection
45 (q)(1), to be subject to a clear and present danger that, in the absence of municipal action to
46 rehabilitate, conserve, and recondition the area, it will become in the reasonably foreseeable
47 future a blighted area or a nonresidential redevelopment area as defined herein. In such an area,
48 no individual tract, building, or improvement shall be subject to the power of eminent domain,
49 within the meaning of this Article, unless it is of the character described in subsection (q) or
50 subsection (q)(1) and substantially contributes to the conditions endangering the area; provided
51 that if the power of eminent domain shall be exercised under the provisions of this Article, the

1 respondent or respondents shall be entitled to be represented by counsel of their own selection
2 and their reasonable counsel fees fixed by the court, taxed as a part of the costs and paid by the
3 petitioners."

4 **Sec. 4.** Subsection (r) of Section 160-456 is rewritten to read as follows:

5 "(r) 'Redevelopment project' shall mean any work or undertaking:

- 6 1. To acquire blighted or nonresidential redevelopment areas or portions
7 thereof, or individual tracts in rehabilitation, conservation, and
8 reconditioning areas, including lands, structures, or improvements, the
9 acquisition of which is necessary or incidental to the proper clearance,
10 development, or redevelopment of such areas or to the prevention of the
11 spread or recurrence of conditions of blight;
- 12 2. To clear any such areas by demolition or removal of existing buildings,
13 structures, streets, utilities or other improvements thereon and to install,
14 construct, or reconstruct streets, utilities, and site improvements essential to
15 the preparation of sites for uses in accordance with the redevelopment plan;
- 16 3. To sell land in such areas for residential, recreational, commercial, industrial
17 or other use or for the public use to the highest bidder as herein set out or to
18 retain such land for public use, in accordance with the redevelopment plan;
- 19 4. To carry out plans for a program of voluntary or compulsory repair,
20 rehabilitation, or reconditioning of buildings or other improvements in such
21 areas.

22 "The term 'redevelopment project' may also include the preparation of a redevelopment
23 plan, the planning, survey and other work incident to a redevelopment project, and the
24 preparation of all plans and arrangements for carrying out a redevelopment project."

25 **Sec. 5.** G.S. 160-462(j) is amended by adding at the end thereof the following:

26 "A redevelopment commission is hereby specifically authorized to make (1) plans for
27 carrying out a program of voluntary repair and rehabilitation of buildings and improvements
28 and (2) plans for the enforcement of laws, codes, and regulations relating to the use of land and
29 the use and occupancy of buildings and improvements, and to the compulsory repair,
30 rehabilitation, demolition, or removal of buildings and improvements. The redevelopment
31 commission is further authorized to develop, test and report methods and techniques, and carry
32 out demonstrations and other activities, for the prevention and elimination of slums and urban
33 blight."

34 **Sec. 6.** G.S. 160-456 is amended as follows:

35 a. Subsection (d) is amended by striking out the word "Field" in line 1 and
36 substituting the word "Area" therefor.

37 b. Subsection (n) of Section 160-456 is amended by striking out the word
38 "area" in line 1 thereof.

39 c. Subsection (p) of Section 160-456 is amended by striking out the words
40 "submitted for approval to the governing body by a commission," in lines 2 and 3 thereof.

41 **Sec. 7.** Subsection (f) of Section 160-462 is amended by striking out the word
42 "proposal" in line 13 thereof and substituting the word "plan" therefor.

43 **Sec. 8.** G.S. 160-463 is amended as follows:

44 a. Subsection (d) of Section 160-463 is amended by striking out the word
45 "area" in line 1 thereof.

46 b. Subsection (e) of Section 160-463 is amended to read as follows:

47 "The commission shall hold a public hearing prior to its final determination of the
48 redevelopment plan. Notice of such hearing shall be given once a week for two successive
49 calendar weeks in a newspaper published in the municipality, or, if there be no newspaper
50 published in the municipality, by posting such notice at four public places in the municipality,

1 said notice to be published the first time or posted not less than fifteen days prior to the date
2 fixed for said hearing."

3 c. Subsections (f) and (g) of Section 160-463 are amended by striking out the
4 word "proposal" wherever the same appears in said subsections and substituting therefor the
5 word "plan".

6 d. Subsection (h) of Section 160-463 is amended to read as follows:

7 "The governing body, upon receipt of the redevelopment plan and the recommendation (if
8 any) of the planning commission, shall hold a public hearing upon said plan. Notice of such
9 hearing shall be given once a week for two successive weeks in a newspaper published in the
10 municipality, or, if there be no newspaper published in the municipality, by posting such notice
11 at four public places in the municipality, said notice to be published the first time or posted not
12 less than fifteen days prior to the date fixed for said hearing. The notice shall describe the
13 redevelopment area by boundaries, in a manner designed to be understandable by the general
14 public. The redevelopment plan, including such maps, plans, contracts, or other documents as
15 form a part of it, together with the recommendation (if any) of the planning commission and
16 supporting data, shall be available for public inspection at a location specified in the notice for
17 at least ten days prior to the hearing.

18 "At the hearing the governing body shall afford an opportunity to all persons or agencies
19 interested to be heard and shall receive, make known, and consider recommendations in writing
20 with reference to the redevelopment plan."

21 e. Subsection (i) of Section 160-463 is amended to read as follows:

22 "The governing body shall approve, amend, or reject the redevelopment plan as submitted."

23 f. Subsection (j) of Section 160-463 is amended to read as follows:

24 "Upon approval by the governing body of the redevelopment plan, the commission is
25 authorized to acquire property, to execute contracts for clearance and preparation of the land for
26 resale, and to take other actions necessary to carry out the plan, in accordance with the
27 provisions of this Article."

28 **Sec. 9.** G.S. 160-464 is amended as follows:

29 a. Subsection (b) of Section 160-464 is amended by striking out the word
30 "four" in line 5 and substituting the word "two" therefor. Subsection (b) is further amended by
31 striking out the words "All awards of contracts and" in line 21 and by capitalizing the word
32 "All" which precedes the word "sales". Subsection (b) is further amended by inserting the
33 words "any such required" between the word "After" and the word "approval" in lines 22 and
34 23.

35 b. Subsection (d) of Section 160-464 is amended by inserting the words "rent
36 or lease", between the words "temporarily" and "operate" in line 1 thereof.

37 **Sec. 10.** Subsection (d) of Section 160-466 is hereby amended by rewriting said
38 subsection to read as follows:

39 "(d) Bonds shall be sold by the redevelopment commission at public sale upon such
40 terms and in such manner, consistent with the provisions hereof, as the redevelopment
41 commission may determine. Prior to the sale of bonds hereunder, the redevelopment
42 commission shall first cause a notice of the sale of the bonds to be published at least once at
43 least ten days before the date fixed for the receipt of bids for the bonds (a) in a newspaper
44 having the largest or next largest circulation in the redevelopment commission's area of
45 operation and (b) in a publication that carries advertisements for the sale of State and municipal
46 bonds published in the City of New York in the State of New York; provided, however, that in
47 its discretion the redevelopment commission may cause any such notice of sale in the New
48 York publication to be published as part of a consolidated notice of sale offering for sale the
49 obligations of other public agencies in addition to the redevelopment commission's bonds, and
50 provided further that any bonds may be sold by the redevelopment commission to the
51 government at private sale upon such terms and conditions as are mutually agreed upon

1 between the commission and the government. No bonds issued pursuant to this Article shall be
2 sold at less than par and accrued interest. The provisions of the Local Government Act shall not
3 be applicable with respect to bonds sold or issued under this Act."

4 **Sec. 11.** No amendment herein made shall have the effect of invalidating or
5 otherwise impairing the validity of any actions which have heretofore been taken.

6 **Sec. 12.** Should any Section, clause, or provisions of this Act be decided by the
7 courts to be unconstitutional or invalid for any reason, such decision shall not affect the validity
8 of the Act as a whole or any part thereof other than the part so decided to be unconstitutional or
9 invalid.

10 **Sec. 13.** All laws and clauses of laws in conflict with the provisions of this Act are
11 hereby repealed to the extent of such conflict.

12 **Sec. 14.** This Act shall become effective upon its ratification.

13 In the General Assembly read three times and ratified, this the 15th day of June,
14 1961.